

**UMVOTI
MUNICIPALITY**

Office of the Mayor

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3250

**MUNISIPALITEIT
UMVOTI**

Burgemeester

☎ 033 413 1369
41 Bell Street
Greytown
3250

My Ref
My Verw

TT/C/7/MES/ngm

Your Ref
U Verw

08 April 2013

Attention: T Pillay
Chief Director: MFMA Implementation
National Treasury
Private Bag x 115
PRETORIA
001

Dear Sir/Madam

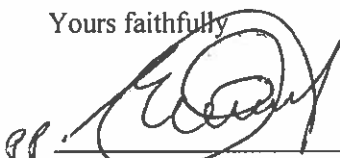
SUBJECT:RE- 2013/2014 DRAFT BUDGET

Kindly receive the attached approved Draft Budget for the year 2013/2014 as tabled on the 28th March 2013. Kindly also note that Electronic copy will be sent to ZAMA.NGCOBO@kzntreasury.gov.za; jan.hatting@kzntreasury.gov.za and elsabe.rossouw@treasury.gov.za igdatabase@treasury.gov.za.

The delay in submission of budget returns is hereby regretted.

Trusting in your usual co-operation.

Yours faithfully

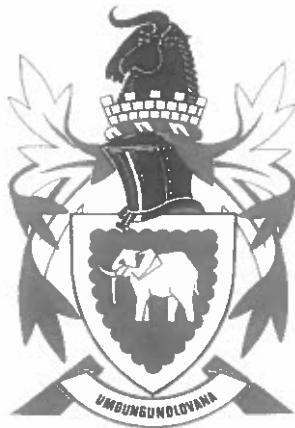


MR ME SWANLOW
CHIEF FINANCIAL MANAGER

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Your Ref
U Verw

08 April 2013

Attention: Mr L S Magagula
Head of Provincial Treasury
KZN Provincial Treasury
P O Box 3613
PIETERMARITZBURG
3210

Dear Sir/Madam

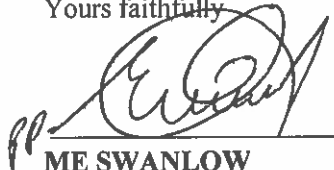
SUBJECT: RE-DRAFT BUDGET 2013/2014

Kindly receive the attached approved Budget for the year 2013/2014 as tabled on the 28th March 2013.
Kindly also note that Electronic copy will be sent to ZAMA.NGCOBO@kzntreasury.gov.za;
jan.hatting@kzntreasury.gov.za and elsabe.rossouw@treasury.gov.za igdatabase@treasury.gov.za.

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Trusting in your usual co-operation.

Yours faithfully


ME SWANLOW
CHIEF FINANCIAL MANAGER

AN ANNUAL BUDGET AND SUPPORTING DOCUMENTATION OF UMVOTI MUNICIPALITY

ANNUAL BUDGET OF

UMVOTI

MUNICIPALITY

2013/14 TO 2015/16

MEDIUM TERM REVENUE AND

EXPENDITURE FORECASTS

Copies of this document can be viewed:

- **Finance department**
- **All public libraries within the municipality**
- **At www.umnvoti.gov.za**

Abbreviations and Acronyms

AMR	Automated Meter Reading	ℓ	litre
ASGISA	Accelerated and Shared Growth Initiative	LED	Local Economic Development
BPC	Budget Planning Committee	MEC	Member of the Executive Committee
CBD	Central Business District	MFMA	Municipal Financial Management Act Programme
CFO	Chief Financial Officer	MIG	Municipal Infrastructure Grant
CM	City Manager	MMC	Member of Mayoral Committee
CPI	Consumer Price Index	MPRA	Municipal Properties Rates Act
CRRF	Capital Replacement Reserve Fund	MSA	Municipal Systems Act
DBSA	Development Bank of South Africa	MTEF	Medium-term Expenditure Framework
DoRA	Division of Revenue Act	MTREF	Medium-term Revenue and Expenditure Framework
DWA	Department of Water Affairs	NERSA	National Electricity Regulator South Africa
EE	Employment Equity	NGO	Non-Governmental organisations
EEDSM	Energy Efficiency Demand Side Management	NKPIs	National Key Performance Indicators
EM	Executive Mayor	OHS	Occupational Health and Safety
FBS	Free basic services	OP	Operational Plan
GAMAP	Generally Accepted Municipal Accounting Practice	PBO	Public Benefit Organisations
GDP	Gross domestic product	PHC	Provincial Health Care
GDS	Gauteng Growth and Development Strategy	PMS	Performance Management System
GFS	Government Financial Statistics	PPE	Property Plant and Equipment
GRAP	General Recognised Accounting Practice	PPP	Public Private Partnership
HR	Human Resources	PTIS	Public Transport Infrastructure System
HSRC	Human Science Research Council	RG	Restructuring Grant
IDP	Integrated Development Strategy	RSC	Regional Services Council
IT	Information Technology	SALGA	South African Local Government Association
kℓ	kilolitre	SAPS	South African Police Service
km	kilometre	SDBIP	Service Delivery Budget Implementation Plan
KPA	Key Performance Area	SMME	Small Micro and Medium Enterprises
KPI	Key Performance Indicator		
kWh	kilowatt		

Part 1 – Annual Budget

1.1 Mayor's Report

To be updated with final budget report

1.2 Council Resolutions

On 28th March 2013 the Council of Umvoti Local Municipality met in the Council Chambers of Umvoti 41 Bell Street to consider the annual budget of the municipality for the financial year 2013/14. The Council approved and adopted the following resolutions:

1. The Council of Umvoti Local Municipality, acting in terms of section 24 of the Municipal Finance Management Act, (Act 56 of 2003) approves and adopts:
 - 1.1. The annual budget of the municipality for the financial year 2013/14 and the multi-year and single-year capital appropriations as set out in the following tables:
 - 1.1.1. Budgeted Financial Performance (revenue and expenditure by standard classification) as contained in Table 11 on page 19;
 - 1.1.2. Budgeted Financial Performance (revenue and expenditure by municipal vote) as contained in Table 12 on page 21;
 - 1.1.3. Budgeted Financial Performance (revenue by source and expenditure by type) as contained in Table 13 on page 23; and
 - 1.1.4. Multi-year and single-year capital appropriations by municipal vote and standard classification and associated funding by source as contained in Table 14 on page 26.
 - 1.2. The financial position, cash flow budget, cash-backed reserve/accumulated surplus, asset management and basic service delivery targets are approved as set out in the following tables:
 - 1.2.1. Budgeted Financial Position as contained in Table 15 on page 28;
 - 1.2.2. Budgeted Cash Flows as contained in Table 16 on page 30;
 - 1.2.3. Cash backed reserves and accumulated surplus reconciliation as contained in Table 17 on page 30;
2. The Council of Umvoti Local Municipality, acting in terms of section 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) approves and adopts with effect from 1 July 2013:
 - 2.1. the tariffs for property rates
 - 2.2. the tariffs for electricity
3. The Council of Umvoti Local Municipality, acting in terms of 75A of the Local Government: Municipal Systems Act (Act 32 of 2000) approves and adopts with effect from 1 July 2013 the tariffs for other services,
4. To give proper effect to the municipality's annual budget, the Council of Umvoti Local Municipality approves:
 - 4.1. That cash backing is implemented through the utilisation of a portion of the revenue generated from property rates to ensure that all capital reserves and provisions, and

unspent conditional grants are cash backed as required in terms of the municipality's funding and reserves policy as prescribed by section 8 of the Municipal Budget and Reporting Regulations.

- 4.2. That the municipality be permitted to enter into long-term loans for the funding of the capital programmes in respect of the 2013/14 financial year limited to an amount of R120 million for electricity for the financial year of the MTREF in terms of Section 46 of the Municipal Finance Management Act.
- 4.3. That the Municipal Manager be authorised to sign all necessary agreements and documents to give effect to the above lending programme.

1.3 Executive Summary

The application of sound financial management principles for the compilation of the Municipality's financial plan is essential and critical to ensure that the Municipality remains financially viable and that municipal services are provided sustainably, economically and equitably to all communities.

The Municipality's business and service delivery priorities were reviewed as part of this year's planning and budget process. Where appropriate, funds were transferred from low- to high-priority programmes so as to maintain sound financial stewardship. A critical review was also undertaken of expenditures on noncore and 'nice to have' items.

The Municipality has embarked on implementing a range of revenue collection strategies to optimize the collection of debt owed by consumers. One such strategy is to conduct a meter sweep to ensure that all meters are functioning and that accurate accounts are sent out. Furthermore, the Municipality has undertaken various customer care initiatives to ensure the municipality truly involves all citizens in the process of ensuring a people lead government.

National Treasury's MFMA Circular No. 51, 54, 66 and 67 were used to guide the compilation of the 2013/14 MTREF.

The main challenges experienced during the compilation of the 2013/14 MTREF can be summarised as follows:

- The ongoing difficulties in the national and local economy;
- Aging and poorly maintained roads and electricity infrastructure;
- The need to reprioritise projects and expenditure within the existing resource envelope given the cash flow realities and declining cash position of the municipality;
- The increased cost of bulk electricity (due to tariff increases Eskom), which is placing upward pressure on service tariffs to residents. Continuous high tariff increases are not sustainable - as there will be point where services will no-longer be affordable;
- Wage increases for municipal staff that continue to exceed consumer inflation, as well as the need to fill critical vacancies;
- Additional staff request from management without any due diligent studies being conducted and the establishment of a security and disaster section.
- Affordability of capital projects – original allocations had to be reduced and the operational expenditure associated with prior year's capital investments needed to be factored into the budget as part of the 2013/13 MTREF process; and
- Availability of affordable capital/borrowing.

The following budget principles and guidelines directly informed the compilation of the 2013/14 MTREF:

- The 2012/13 Adjustments Budget priorities and targets, as well as the base line allocations contained in that Adjustments Budget were adopted as the upper limits for the new baselines for the 2013/14 annual budget;
- Intermediate service level standards were used to inform the measurable objectives, targets and backlog eradication goals;
- Tariff and property rate increases should be affordable and should generally not exceed inflation as measured by the CPI, except where there are price increases in the inputs of services that are beyond the control of the municipality, for instance the cost of bulk electricity. In addition, tariffs need to remain or move towards being cost reflective, and should take into account the need to address infrastructure backlogs;
- There will be no budget allocated to national and provincial funded projects unless the necessary grants to the municipality are reflected in the national and provincial budget and have been gazetted as required by the annual Division of Revenue Act;
- An upper limit of R6,4 million was set for the following items and allocations to these items had to be supported by a list and/or motivation setting out the intention and cost of the expenditure which was used to prioritise expenditures:
 - Consultant Fees;
 - Furniture and office equipment;
 - Refreshments and entertainment;
 - Ad-hoc travelling; and
 - Subsistence, Travelling & Conference fees

In view of the aforementioned, the following table is a consolidated overview of the proposed 2013/14 Medium-term Revenue and Expenditure Framework:

Table 1 Consolidated Overview of the 2011/12 MTREF

R thousands	Adjustments Budget 2012/2013	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Total Operating Revenue	155,507	176,704	201,698	236,777
Total Operating Expenditure	172,993	203,314	218,745	234,976
<i>(Surplus)/Deficit for the year</i>	17,486	26,610	17,046	(1,809)
Total Capital Expenditure	49,192	24,432	11,428	

Total operating revenue has grown by 13.63 per cent or R21.1 million for the 2013/14 financial year when compared to the 2012/13 Adjustments Budget. For the two outer years, operational revenue will increase by 14.14 and 17.39 per cent respectively, equating to a total revenue growth of R81.2 million over the MTREF when compared to the 2012/13 financial year.

Total operating expenditure for the 2013/14 financial year has been appropriated at R203.3 million and translates into a budgeted deficit of R26.6 million. When compared to the 2012/13 Adjustments Budget, operational expenditure has grown by 17.53 per cent in the 2013/14 budget and by 7.59 and 8 per cent for each of the respective outer years of the MTREF. The operating deficit for the two outer years steadily decreases to R17 million and then stabilise at a surplus of R1.8 million. As no surplus is available the capital expenditure will be funded from the available accumulated surplus currently amounting to R6 million rand. This is not sustainable and measures would need to be put in place so that capital can be funded from surplus derived in that year.

The capital budget of R24.4 million for 2013/14 is 50.3 per cent less when compared to the 2012/13 Adjustment Budget. The reduction is due to various projects being finalised in the previous financial year as well as affordability constraints in the light of current economic circumstances. The capital programme reduces to R11.4 million in the 2014/15 financial year and then to zero as funding for the outer years have been rolled forward. A substantial portion of the capital budget will be funded from MIG over MTREF

1.4 Operating Revenue Framework

For Umvoti Municipality to continue improving the quality of services provided to its citizens it needs to generate the required revenue. In these tough economic times strong revenue management is fundamental to the financial sustainability of every municipality. The reality is that we are faced with development backlogs and poverty. The expenditure required to address these challenges will inevitably always exceed available funding; hence difficult choices have to be made in relation to tariff increases and balancing expenditures against realistically anticipated revenues.

The municipality's revenue strategy is built around the following key components:

- National Treasury's guidelines and macroeconomic policy;
- Growth in the Municipality and continued economic development;
- Efficient revenue management, which aims to ensure a 80 per cent annual collection rate for property rates and other key service charges;
- Electricity tariff increases as approved by the National Electricity Regulator of South Africa (NERSA);
- Achievement of full cost recovery of specific user charges especially in relation to trading services;
- Determining the tariff escalation rate by establishing/calculating the revenue requirement of each service;
- The municipality's Property Rates Policy approved in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA);
- Increase ability to extend new services and recover costs;
- The municipality's Indigent Policy and rendering of free basic services; and
- Tariff policies of the Municipality.

The following table is a summary of the 2013/14 MTREF (classified by main revenue source):

Table 2 Summary of revenue classified by main revenue source

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Revenue By Source											
Property rates	2	21,028	13,564	13,799	16,178	18,850	18,850	-	20,461	22,098	23,866
Property rates - penalties & collection charges		1,085	1,180	1,251	1,300	1,300	1,300		1,330	1,436	1,551
Service charges - electricity revenue	2	28,276	34,013	42,433	48,235	48,893	48,893	-	52,291	57,520	63,272
Service charges - water revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	2	4,359	4,726	5,290	5,529	5,486	5,486	-	5,790	6,369	7,006
Service charges - other		189	317	563	407	883	883		872	959	1,055
Rental of facilities and equipment		2,827	2,998	2,819	2,979	2,880	2,880		3,032	3,245	3,472
Interest earned - external investments		3,279	2,939	3,261	2,700	2,700	2,700		2,700	2,970	3,119
Interest earned - outstanding debtors		192	157	154	167	163	163		183	201	211
Dividends received											
Fines		434	325	491	404	804	804		804	884	973
Licences and permits		1,656	2,071	1,914	2,002	1,963	1,963		2,045	2,250	2,475
Agency services		817	925	970	1,016	1,082	1,082		1,110	1,221	1,343
Transfers recognised - operational		32,622	34,788	44,951	44,966	52,263	52,263		67,053	81,869	106,100
Other revenue	2	8,326	2,801	841	111	119	119	-	171	190	209
Gains on disposal of PPE		87	91			209	209		10	11	12
Total Revenue (excluding capital transfers and contributions)		105,177	100,895	118,737	125,993	137,595	137,595	-	157,853	181,223	214,663

Table 3 Percentage growth in revenue by main revenue source

Description	Current Year 2012/2013		2013/14 Medium Term Revenue & Expenditure Framework					
	Full Year Forecast	%	Budget Year 2013/14	%	Budget Year +1 2014/15	%	Budget Year +2 2015/16	%
Revenue By Source								
Property rates	18,850	13.70%	20,461	12.96%	22,098	12.19%	23,866	11.12%
Property rates - penalties & collection charges	1,300	1.72%	1,330	1.65%	1,436	1.63%	1,551	1.80%
Service charges - electricity revenue	48,893	35.53%	52,291	33.13%	57,520	31.74%	63,272	29.48%
Service charges - water revenue	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	-	-	-	-	-	-	-	-
Service charges - refuse revenue	5,486	3.99%	5,790	3.67%	6,369	3.51%	7,006	3.26%
Service charges - other	883	1.17%	872	1.08%	959	1.08%	1,055	1.09%
Rental of facilities and equipment	2,880	2.09%	3,032	1.92%	3,245	1.79%	3,472	1.62%
Interest earned - external investments	2,700	1.96%	2,700	1.71%	2,970	1.64%	3,119	1.45%
Interest earned - outstanding debtors	163	0.12%	183	0.12%	201	0.11%	211	0.10%
Dividends received								
Fines	804	0.58%	804	0.51%	884	0.49%	973	0.45%
Licences and permits	1,963	1.43%	2,045	1.30%	2,250	1.24%	2,475	1.15%
Agency services	1,082	0.79%	1,110	0.70%	1,221	0.67%	1,343	0.63%
Transfers recognised - operational	52,263	37.98%	67,053	42.48%	81,869	45.18%	106,100	49.43%
Other revenue	119	0.09%	171	0.11%	190	0.10%	209	0.10%
Gains on disposal of PPE	209	0.15%	10	0.01%	11	0.01%	12	0.01%
Total Revenue (excluding capital transfers and contributions)	137,595	100%	157,853	100%	181,223	100%	214,663	100%
Total revenue from rates and service charges	75,412	54.8%	80,744	51.2%	88,382	48.8%	96,750	45.1%

In line with the formats prescribed by the Municipal Budget and Reporting Regulations, capital transfers and contributions are excluded from the operating statement, as inclusion of these revenue sources would distort the calculation of the operating surplus/deficit.

Revenue generated from rates and services charges forms a significant percentage of the revenue basket for the Municipality. Rates and service charge revenues comprise more than 50% of the total revenue mix. In the 2012/13 financial year, revenue from rates and services charges totalled R75.4 million or 54.8 per cent. This increases to R80.7 million, R88.3 million

and R96.7 million in the respective financial years of the MTREF. A notable trend is the increase in the total percentage revenue generated from rates and services charges which decrease from 54.8 per cent in 2012/13 to 45.1 per cent in 2015/16. This decrease can be mainly attributed to the decreased share that the sale of electricity contributes to the total revenue mix, which in turn is due to rapid increases in the Eskom tariffs for bulk electricity. The above table excludes revenue foregone arising from discounts and rebates associated with the tariff policies of the Municipality. Details in this regard are contained in Table 64 MBRR SA1 (see page 99).

Property rates is the second largest revenue source totalling 12.9 per cent or R20.4 million rand and increases to R23.8 million by 2012/16. The third largest sources is 'other revenue' which consists of various items such as income received from permits and licenses, building plan fees, connection fees, transport fees and advertisement fees. Departments have been urged to review the tariffs of these items on an annual basis to ensure they are cost reflective and market related.

Operating grants and transfers totals R67 million in the 2013/13 financial year and steadily increases to R106.1 million by 2015/16.

Tariff-setting is a pivotal and strategic part of the compilation of any budget. When rates, tariffs and other charges were revised, local economic conditions, input costs and the affordability of services were taken into account to ensure the financial sustainability of the Municipality.

National Treasury continues to encourage municipalities to keep increases in rates, tariffs and other charges as low as possible. Municipalities must justify in their budget documentation all increases in excess of the 6 per cent upper boundary of the South African Reserve Bank's inflation target. Excessive increases are likely to be counterproductive, resulting in higher levels of non-payment.

The percentage increases of Eskom bulk tariffs are far beyond the mentioned inflation target. Given that these tariff increases are determined by external agencies, the impact they have on the municipality's electricity and in these tariffs are largely outside the control of the Municipality. Discounting the impact of these price increases in lower consumer tariffs will erode the Municipality's future financial position and viability.

It must also be appreciated that the consumer price index, as measured by CPI, is not a good measure of the cost increases of goods and services relevant to municipalities. The basket of goods and services utilised for the calculation of the CPI consist of items such as food, petrol and medical services, whereas the cost drivers of a municipality are informed by items such as the cost of remuneration, bulk purchases of electricity, petrol, diesel, chemicals, cement etc. The current challenge facing the Municipality is managing the gap between cost drivers and tariffs levied, as any shortfall must be made up by either operational efficiency gains or service level reductions. Within this framework the Municipality has undertaken the tariff setting process relating to service charges as follows.

1.4.1 Property Rates

Property rates cover the cost of the provision of general services. Determining the effective property rate tariff is therefore an integral part of the municipality's budgeting process.

National Treasury's MFMA Circular No. 51 deals, inter alia with the implementation of the Municipal Property Rates Act, with the regulations issued by the Department of Co-operative

Governance. These regulations came into effect on 1 July 2009 and prescribe the rate ratio for the non-residential categories, public service infrastructure and agricultural properties relative to residential properties to be 0,25:1. The implementation of these regulations was done in the previous budget process and the Property Rates Policy of the Municipality has been amended accordingly.

The following stipulations in the Property Rates Policy are highlighted:

- The first R15 000 of the market value of a property used for residential purposes is excluded from the rate-able value (Section 17(h) of the MPRA). In addition to this rebate, a further R50 000 reduction on the market value of a property will be granted in terms of the Municipality's own Property Rates Policy;
- 100 per cent rebate will be granted to registered indigents in terms of the Indigent Policy;
- For pensioners, physically and mentally disabled persons, a maximum/total rebate of 60 per cent (calculated on a sliding scale) will be granted to owners of rate-able property if the total gross income of the applicant and/or his/her spouse, if any, does not to exceed the amount equal to twice the annual state pension as approved by the National Government for a financial year. In this regard the following stipulations are relevant:
 - The rate-able property concerned must be occupied only by the applicant and his/her spouse, if any, and by dependants without income;
 - The applicant must submit proof of his/her age and identity and, in the case of a physically or mentally handicapped person, proof of certification by a Medical Officer of Health, also proof of the annual income from a social pension;
 - The applicant's account must be paid in full, or if not, an arrangement to pay the debt should be in place; and
 - The property must be categorized as residential.
- The Municipality may award a 100 per cent grant-in-aid on the assessment rates of rate-able properties of certain classes such as registered welfare organizations, institutions or organizations performing charitable work, sports grounds used for purposes of amateur sport. The owner of such a property must apply to the Chief Financial Officer in the prescribed format for such a grant.

The categories of rate-able properties for purposes of levying rates and the proposed rates for the 2013/14 financial year based on a 7 per cent increase from 1 July 2013 is contained below:

Table 4 Comparison of proposed rates to levied for the 2013/14 financial year

Category	Current Tariff cents in the Rand (1 July 2012)	Proposed tariff cents in the Rand (from 1 July 2013)
	C	C
Residential properties	1,28	1,37
Sectional Title	1,28	1,37
Business & Commercial	1,90	2,03
Industrial	1,28	1,37
Agricultural	0,32	0,34
Communal	0,32	0,34
Institutional	1,28	1,37
National Monuments	1,28	1,37
Municipal	1,28	1,37
Public Benefit Organizations	0,32	0,34
Public Service Infrastructure	0,32	0,34
Special Purpose	1,28	1,37
State owned	1,90	2,03
Place of Worship	1,28	1,37
Properties leased by the Municipality	1,28	1,37

1.4.2 Sale of Electricity and Impact of Tariff Increases

NERSA has announced the revised bulk electricity pricing structure. A 8 per cent increase in the Eskom bulk electricity tariff to municipalities will be effective from 1 July 2013.

Considering the Eskom increases, the consumer tariff had to be increased by 8 per cent to offset the additional bulk purchase cost from 1 July 2013. Furthermore, it should be noted that given the magnitude of the tariff increase, it is expected to depress growth in electricity consumption, which will have a negative impact on the municipality's revenue from electricity.

Registered indigents will again be granted 50 kWh per 30-day period free of charge.

The following table shows the impact of the proposed increases in electricity tariffs charges:

Table 5 Comparison of proposed tariffs to levied for the 2013/14 financial year

TARIFF TYPE	CURRENT TARIFF	PROPOSED TARIFF	DIFFERENCE (Increase)	PERCENTAGE
DOMESTIC TARIFF 1	96.10	103.78	7.68	8%
DOMESTIC TARIFF 2	130.70	141.16	10.46	8%
MCB Domestic	3.75	4.05	0.30	8%
Prepaid	81.50	88.02	6.52	8%
Prepaid Other	125.30	135.32	10.02	8%
Indigent Conversion (max 20 amp)	71.00	76.68	5.68	8%
Availability Domestic	78.00	84.24	6.24	8%
Other	117.00	126.36	9.36	8%
MCB Other	4.50	4.86	0.36	8%
Bulk	66.80	72.14	5.34	8%
KVA	146.96	158.72	11.76	8%
Basic Charge wif Apr 07	1091.80	1179.14	87.34	8%
Sreet Lights	126.40	136.51	10.11	8%
Sport Fields	126.40	136.51	10.11	8%
Availability Other	150.80	162.86	12.06	8%

It should further be noted that NERSA has advised that a stepped tariff structure needs to be implemented from 1 July 2013. The effect thereof will be that the higher the consumption, the higher the cost per kWh. The aim is to subsidise the lower consumption users (mostly the poor). The Municipality has entered into discussions with NERSA regarding the suitability of the NERSA proposed stepped tariffs compared to those are not yet being implemented by the Municipality. Until the discussions are concluded, the Municipality will maintain the current structure of its electricity tariffs.

The inadequate electricity bulk capacity and the impact on service delivery and development remains a challenge for the Municipality. The upgrading of the Municipality's electricity network has therefore become a strategic priority, especially the substations and transmission lines as the municipality is currently exceeding the maximum demand it is allowed to draw.

The approved budget for the Electricity Division can only be utilised for certain committed upgrade projects and to strengthen critical infrastructure (e.g. substations without back-up supply). It is estimated that special funding for electricity bulk infrastructure to the amount of R120 million for two years will be necessary to steer the Municipality out of this predicament.

Owing to the high increases in Eskom's bulk tariffs, it is clearly not possible to fund these necessary upgrades through increases in the municipal electricity tariff – as the resultant tariff increases would be unaffordable for the consumers. It is therefore proposed that the taking up of loans as a strategy for funding of the infrastructure be considered and Department of Energy funding be utilized to repay such a loan. As part of the 2013/14 medium-term capital programme, funding has been allocated to electricity infrastructure but these funding levels will require further investigation as part of the next budget cycle in an attempt to source more funding to ensure this risk is mitigated.

1.4.3 Waste Removal and Impact of Tariff Increases

Currently solid waste removal is operating at a deficit. It is widely accepted that the rendering of this service should at least break even, which is currently not the case. The Municipality will have to implement a solid waste strategy to ensure that this service can be rendered in a

sustainable manner over the medium to long-term. The main contributors to this deficit are repairs and maintenance on vehicles, increases in general expenditure such as petrol and diesel and the cost of remuneration as well as transporting of waste to Pietermaritzburg. Considering the deficit, it is recommended that a comprehensive investigation into the cost structure of solid waste function be undertaken, and that this include investigating alternative service delivery models. The outcomes of this investigation will be incorporated into the next planning cycle.

A 7 per cent increase in the waste removal tariff is proposed from 1 July 2013. Higher increases will not be viable in 2013/14 owing to the significant increases implemented in previous financial years as well as the overall impact of higher than inflation increases of other services. Any increase higher than 7 per cent would be counter-productive and will result in affordability challenges for individual rates payers raising the risk associated with bad debt.

The following table compares current and proposed amounts payable from 1 July 2013:

Table 6 Comparison between current waste removal fees and increases

TARIFF TYPE	CURRENT TARIFFS	PROPOSED TARIFFS	DIFFERENCE	PERCENTATGE
REFUSE DOMESTIC	108.20	115.77	7.57	7%
REFUSE OTHER	134.90	144.34	9.44	7%
REFUSE OTHER	241.80	258.73	16.93	7%

1.4.4 Overall impact of tariff increases on households

The following table shows the overall expected impact of the tariff increases on a large and small household, as well as an indigent household receiving free basic services.

Note that in all instances the overall impact of the tariff increases on household's bills has been kept to between 11 and 12 per cent, with the increase for indigent households closer to 8 per cent.

Table 7 MBRR Table SA14 – Household bills

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework			
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14 % incr.	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Rand/cent											
Monthly Account for Household - 'Middle Income Range'	1										
Rates and services charges:											
Property rates		373.33	403.20	419.53	677.33	677.33		5.5%	714.58	786.04	864.64
Electricity: Basic levy		129.00	117.90	189.00	225.00	225.00		8.0%	243.00	267.30	294.03
Electricity: Consumption		554.50	676.40	814.30	961.00	961.00		8.0%	1,037.88	1,141.67	1,255.83
Water: Basic levy											
Water: Consumption											
Sanitation											
Refuse removal		89.40	98.34	108.20	108.20	108.20		5.5%	114.15	125.57	138.12
Other											
sub-total		1,146.23	1,295.84	1,531.03	1,971.53	1,971.53	-	7.0%	2,109.61	2,320.57	2,552.63
VAT on Services		108.21	124.97	155.61	181.19	181.19		14.0%	295.35	324.88	357.37
Total large household bill:		1,254.44	1,420.81	1,686.64	2,152.72	2,152.72	-	11.7%	2,404.96	2,645.45	2,910.00
% increase/-decrease			13.3%	18.7%	27.6%	-	(100.0%)		-	10.0%	10.0%
Monthly Account for Household - 'Affordable Range'	2										
Rates and services charges:											
Property rates		268.33	289.80	297.73	485.33	485.33		5.5%	512.02	563.22	619.54
Electricity: Basic levy		129.00	117.90	189.00	225.00	225.00		8.0%	243.00	267.30	294.03
Electricity: Consumption		277.25	338.20	407.15	480.50	480.50		8.0%	518.94	570.83	627.92
Water: Basic levy											
Water: Consumption											
Sanitation											
Refuse removal		89.40	98.34	108.20	108.20	108.20		5.5%	114.15	125.57	138.12
Other											
sub-total		763.98	844.24	1,002.08	1,299.03	1,299.03	-	6.9%	1,388.11	1,526.92	1,679.61
VAT on Services		69.39	77.62	98.61	113.92	113.92		14.0%	194.34	213.77	235.15
Total small household bill:		833.37	921.86	1,100.69	1,412.95	1,412.95	-	12.0%	1,582.45	1,740.69	1,914.76
% increase/-decrease			10.6%	19.4%	28.4%	-	(100.0%)		-	10.0%	10.0%
Monthly Account for Household - 'Indigent' Household receiving free basic services	3										
Rates and services charges:											
Property rates											
Electricity: Basic levy											
Electricity: Consumption		190.09	200.73	241.61	285.25	285.25		8.0%	308.07	338.88	372.76
Water: Basic levy											
Water: Consumption											
Sanitation											
Refuse removal		49.40	58.34	68.20	68.20	68.20		5.5%	71.95	79.15	87.06
Other											
sub-total		239.49	259.07	308.81	353.45	353.45	-	7.5%	380.02	418.02	459.82
VAT on Services		33.53	36.27	43.37	49.48	49.48		14.0%	53.20	58.52	64.38
Total small household bill:		273.02	295.34	353.18	402.93	402.93	-	7.5%	433.22	476.55	524.20
% increase/-decrease			8.2%	19.6%	14.1%	0.0%	(100.0%)		-	10.0%	10.0%

1.5 Operating Expenditure Framework

The Municipality's expenditure framework for the 2013/14 budget and MTREF is informed by the following:

- The asset renewal strategy and the repairs and maintenance plan;
- Balanced budget constraint (operating expenditure should not exceed operating revenue) unless there are existing uncommitted cash-backed reserves to fund any deficit;
- Funding of the budget over the medium-term as informed by Section 18 and 19 of the MFMA;
- The capital programme is aligned to the asset renewal strategy and backlog eradication plan;

- Operational gains and efficiencies will be directed to funding the capital budget and other core services; and
- Strict adherence to the principle of *no project plan no budget*. If there is no business plan no funding allocation can be made.

The following table is a high level summary of the 2013/14 budget and MTREF (classified per main type of operating expenditure):

Table 8 Summary of operating expenditure by standard classification item

Description R thousand	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Expenditure By Type									
Employee related costs	22,892	29,810	37,339	45,842	41,459	41,459	58,893	63,180	67,592
Remuneration of councillors	4,348	4,316	4,668	5,858	5,971	5,971	6,272	6,692	7,141
Debt impairment	3,437	618	9	3,090	2,840	2,840	3,180	3,498	3,848
Depreciation & asset impairment	14,667	16,785	16,823	21,207	21,218	21,218	21,251	22,362	23,445
Finance charges	24	41	23						
Bulk purchases	18,640	22,479	29,004	40,000	34,000	34,000	37,000	39,960	43,200
Other materials									
Contracted services	11,281	10,862	11,938	6,839	24,654	24,654	28,913	31,342	33,849
Transfers and grants	1,534	1,390	1,103	2,311	1,810	1,810	1,910	2,063	2,228
Other expenditure	35,517	20,689	25,981	29,478	41,043	41,043	45,892	49,529	53,539
Loss on disposal of PPE									
Total Expenditure	112,340	106,990	126,889	154,624	172,994	172,994	203,311	218,626	234,842

The budgeted allocation for employee related costs for the 2012/13 financial year totals R41.4 million, which equals 23.9 per cent of the total operating expenditure. Based on the three year collective SALGBC agreement, salary increases have been factored into this budget at a percentage increase of 6.95% per cent for the 2013/14 financial year. An annual increase of 7 per cent has been included in the two outer years of the MTREF. The staff cost is rapidly on the increase as new post are proposed on a continual basis without any due diligent studies being conducted. Serious attention should be given to restructuring the organization to ensure that we can concentrate on core functions and better service delivery.

The settlement reached by the SALGBC parties in the salary disputes have resulted in a further financial implication on this area of expenditure. It should be noted that the total financial implication could not be determined as the applicable municipal wage curve (representing equal pay for equal work at all municipalities in South Africa) has not been finalised.

The cost associated with the remuneration of councillors is determined by the Minister of Co-operative Governance and Traditional Affairs in accordance with the Remuneration of Public Office Bearers Act, 1998 (Act 20 of 1998). The most recent proclamation in this regard has been taken into account in compiling the Municipality's budget.

The provision of debt impairment was determined based on an annual collection rate of 80 per cent and the Debt Write-off Policy of the Municipality. For the 2012/13 financial year this amount equates to R2.8 million and escalates to R3.8 million by 2015/16. While this expenditure is considered to be a non-cash flow item, it informed the total cost associated with rendering the services of the municipality, as well as the municipality's realistically anticipated revenues.

Provision for depreciation and asset impairment has been informed by the Municipality's Asset Management Policy. Depreciation is widely considered a proxy for the measurement of the rate asset consumption. Budget appropriations in this regard total R21.2 million for the 2012/13 financial and equates to 12.2 per cent of the total operating expenditure. Note that the implementation of GRAP 17 accounting standard has meant bringing a range of assets previously not included in the assets register onto the register. This has resulted in a significant increase in depreciation relative to previous years.

Finance charges consist primarily of the repayment of interest on long-term borrowing (cost of capital). Finance charges make up 0 per cent as the leases have come to an end.

Bulk purchases are directly informed by the purchase of electricity from Eskom. The annual price increases have been factored into the budget appropriations and directly inform the revenue provisions. The expenditures include distribution losses.

Other materials comprises of amongst others the purchase of fuel, diesel, materials for maintenance, cleaning materials and chemicals.

Contracted services are primarily high due to the shortage of skills with in the municipality. As part of the compilation of the 2013/14 MTREF this group of expenditure was critically evaluated and operational efficiencies were enforced. In the 2012/13 financial year, this group of expenditure totals R24.6 million and has escalated by just 17.2 per cent, clearly demonstrating the reliance on consultants strategies need to put put in place to decrease this reliance. For the two outer years growth has been limited to 10 per cent respectively. As part of the process of identifying further cost efficiencies, a business process reengineering project will need to be implemented as a matter of urgency to identify alternative practices and procedures, including building in-house capacity for certain activities that are currently being contracted out. The outcome of this exercise will be factored into the next budget cycle and it is envisaged that additional cost savings will be implemented. Further details relating to contracted services can be seen in Table 64 MBRR SA1 (see page 100).

Other expenditure comprises of various line items relating to the daily operations of the municipality. This group of expenditure has also been identified as an area in which cost savings and efficiencies can be achieved. Growth has been limited to 11.8 per cent for 2013/14 and curbed at 7.9 and 8 per cent for the two outer years, indicating that significant cost savings have been already realised. Further details relating to contracted services can be seen in Table 64 MBRR SA1 (see page 100).

The following table gives a breakdown of the main expenditure categories for the 2013/14 financial year.

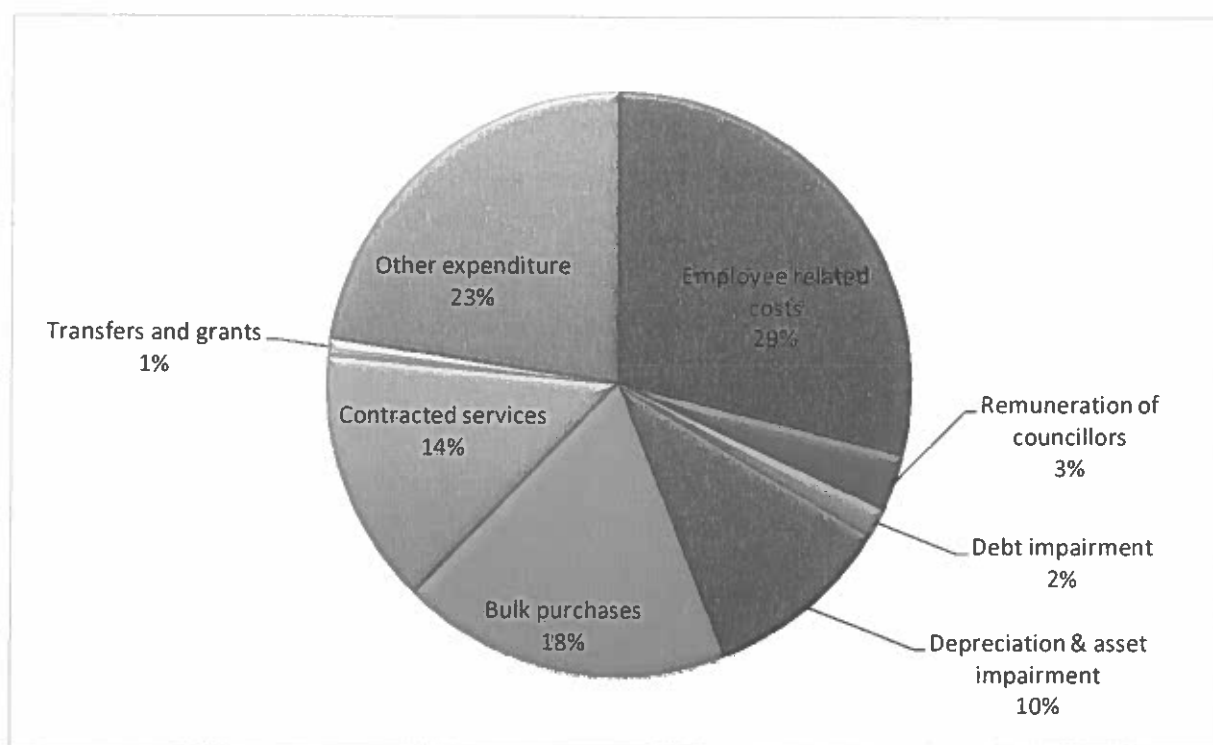


Figure 1 Main operational expenditure categories for the 2011/12 financial year

1.5.1 Priority given to repairs and maintenance

Although ample budget provision is made for the repairing and maintaining of the municipal infrastructure assets the department concerned is not spending significantly on this urgent priority. Measures need to be put in place for the monitoring and maintaining of assets as renewing these assets will result in a additional burden to the Municipality.

1.5.2 Free Basic Services: Basic Social Services Package

The social package assists households that are poor or face other circumstances that limit their ability to pay for services. To receive these free services the households are required to register in terms of the Municipality's Indigent Policy. The community of Umvoti is reluctant to register as they feel that this attaches a stigma to them. Educational programs need to be developed to encourage the indigent to register.

The cost of the social package of the registered indigent households is largely financed by national government through the local government equitable share received in terms of the annual Division of Revenue Act.

1.6 Capital expenditure

The following table provides a breakdown of budgeted capital expenditure by vote:

March 2011

Table 9 2011/12 Medium-term capital budget per vote

Description	CURREN YEAR 2012/13		2013/14 Medium Term Revenue & Expenditure Framework					
	Adjusted Budget	%	Budget Year 2013/14	%	Budget Year +1 2014/15	%	Budget Year +2 2015/16	%
R thousand								
EXECUTIVE AND COUNCIL	645	1.3%	655	2.2%	–	0.0%	–	0.0%
BUDGET AND TREASURY OFFINCE	74	0.2%	182	0.6%	4,000	14.3%	50	5.1%
PLANNING AND DEVELOPMENT	10	0.0%	–	0.0%	–	0.0%	–	0.0%
COMMUNITY AND SOCIAL	10,303	21.3%	649	2.2%	400	1.4%	400	40.4%
PUBLIC SAFETY	995	2.1%	2,726	9.2%	400	1.4%	400	40.4%
SPORT AND RECREATION	2,405	5.0%	2,100	7.1%	2,100	7.5%	100	10.1%
WASTE MANAGEMENT	1	0.0%	–	0.0%	–	0.0%	–	0.0%
ROAD TRANSPORT	31,713	65.5%	18,028	60.8%	12,928	46.3%	–	0.0%
ELECTRICITY	1,750	3.6%	4,950	16.7%	8,100	29.0%	40	4.0%
CORPORATE SERVICES	526	1.1%	363	1.2%	–	0.0%	–	0.0%
TOTAL CAPITAL BUDGET	48,422	100.0%	29,653	100.0%	27,928	100.0%	990	100.0%

For 2012/13 an amount of R33.4 million has been appropriated for the development of infrastructure which represents 69.1 per cent of the total capital budget. In the outer years this amount totals R22.9 million, 77.5 per cent and R21 million, 79.3 per cent respectively for the outer financial years. Transport and roads receives the highest allocation of R18 million in 2013/14 which equates to 60.8 per cent followed by electricity infrastructure at 16.7 per cent, R4.9 million.

Furthermore pages 92 to 96 contain a detail breakdown of the capital budget per project over the medium-term.

1.7 Annual Budget Tables

The following eighteen pages present the ten main budget tables as required in terms of section 8 of the Municipal Budget and Reporting Regulations. These tables set out the municipality's 2013/14 budget and MTREF as approved by the Council. Each table is accompanied by *explanatory notes* on the facing page.

Table 10 MBRR Table A1 - Budget Summary

Description	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Financial Performance										
Property rates	22,113	14,744	15,050	17,478	20,150	20,150	-	21,791	23,534	25,417
Service charges	32,824	39,056	48,286	54,171	55,262	55,262	-	58,952	64,847	71,332
Investment revenue	3,279	2,939	3,261	2,700	2,700	2,700	-	2,700	2,970	3,119
Transfers recognised - operational	32,622	34,788	44,951	44,966	52,263	52,263	-	67,053	81,869	106,100
Other own revenue	14,339	9,368	7,189	6,679	7,220	7,220	-	7,356	8,002	8,695
Total Revenue (excluding capital transfers and contributions)	105,177	100,895	118,737	125,993	137,595	137,595	-	157,853	181,223	214,663
Employee costs	22,892	29,810	37,339	45,842	41,459	41,459	-	58,893	63,180	67,592
Remuneration of councillors	4,348	4,316	4,668	5,858	5,971	5,971	-	6,272	6,692	7,141
Depreciation & asset impairment	14,667	16,785	16,823	21,207	21,218	21,218	-	21,251	22,362	23,445
Finance charges	24	41	23	-	-	-	-	-	-	-
Materials and bulk purchases	18,640	22,479	29,004	40,000	34,000	34,000	-	37,000	39,960	43,200
Transfers and grants	1,534	1,390	1,103	2,311	1,810	1,810	-	1,910	2,063	2,228
Other expenditure	50,235	32,169	37,929	39,407	68,536	68,536	-	77,985	84,369	91,236
Total Expenditure	112,340	106,990	126,889	154,624	172,994	172,994	-	203,311	218,626	234,842
Surplus/(Deficit)	(7,163)	(6,095)	(8,152)	(28,631)	(35,398)	(35,398)	-	(45,458)	(37,403)	(20,179)
Transfers recognised - capital	10,124	10,937	8,604	48,079	17,912	17,912	-	18,851	20,359	21,988
Contributions recognised - capital & contributed	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) after capital transfers & contributions	2,961	4,842	452	19,448	(17,486)	(17,486)	-	(26,607)	(17,044)	1,809
Share of surplus/ (deficit) of associate	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit) for the year	2,961	4,842	452	19,448	(17,486)	(17,486)	-	(26,607)	(17,044)	1,809
Capital expenditure & funds sources										
Capital expenditure	-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	-	-	-	-	-	-	-	-	-	-
Public contributions & donations	-	-	-	-	-	-	-	-	-	-
Borrowing	-	-	-	-	-	-	-	-	-	-
Internally generated funds	-	-	-	-	-	-	-	-	-	-
Total sources of capital funds	-	-	-	-	-	-	-	-	-	-
Financial position										
Total current assets	58,957	71,461	86,097	27,405	48,794	48,794	-	20,837	11,580	8,780
Total non current assets	152,318	173,961	458,366	233,553	477,391	477,391	-	480,941	488,938	502,481
Total current liabilities	18,252	25,125	34,740	23,200	33,200	33,200	-	35,300	50,984	59,818
Total non current liabilities	8,113	8,082	8,023	8,000	8,000	8,000	-	8,000	8,000	8,000
Community wealth/Equity	184,910	212,215	501,701	229,758	484,985	484,985	-	458,478	441,534	443,443
Cash flows										
Net cash from (used) operating	11,838	29,133	28,206	43,745	4,560	4,560	-	2,714	9,018	29,254
Net cash from (used) investing	(23,969)	(20,978)	(12,265)	(72,000)	(40,193)	(40,193)	-	(24,851)	(30,359)	(36,988)
Net cash from (used) financing	469	(28)	14	-	212	212	-	-	-	-
Cash/cash equivalents at the year end	40,233	48,360	64,315	12,563	28,894	28,894	64,315	6,757	(14,584)	(22,318)
Cash backing/surplus reconciliation										
Cash and investments available	40,233	48,362	64,315	10,891	28,894	28,894	-	6,757	(14,584)	(22,318)
Application of cash and investments	2,865	924	8,239	6,246	12,546	12,546	-	19,078	22,539	26,290
Balance - surplus (shortfall)	37,368	47,438	56,076	4,645	16,348	16,348	-	(12,321)	(37,123)	(48,608)
Asset management										
Asset register summary (WDV)	46,824	64,189	73,620	65,000	73,620	73,620	73,620	73,620	73,620	73,620
Depreciation & asset impairment	14,667	16,785	16,823	21,207	21,218	21,218	21,251	21,251	22,362	23,445
Renewal of Existing Assets	-	-	-	-	-	-	-	-	-	-
Repairs and Maintenance	-	-	-	-	-	-	-	-	-	-
Free services										
Cost of Free Basic Services provided	-	-	-	-	-	-	-	-	-	-
Revenue cost of free services provided	-	-	-	-	-	-	-	-	-	-
Households below minimum service level										
Water:	-	-	-	-	-	-	-	-	-	-
Sanitation/sewerage:	-	-	-	-	-	-	-	-	-	-
Energy:	-	-	-	-	-	-	-	-	-	-
Refuse:	-	-	-	-	-	-	-	-	-	-

Explanatory notes to MBRR Table A1 - Budget Summary

1. Table A1 is a budget summary and provides a concise overview of the Municipality's budget from all of the major financial perspectives (operating, capital expenditure, financial position, cash flow, and MFMA funding compliance).
2. The table provides an overview of the amounts approved by Council for operating performance, resources deployed to capital expenditure, financial position, cash and funding compliance, as well as the municipality's commitment to eliminating basic service delivery backlogs.
3. Financial management reforms emphasises the importance of the municipal budget being funded. This requires the simultaneous assessment of the Financial Performance, Financial Position and Cash Flow Budgets, along with the Capital Budget. The Budget Summary provides the key information in this regard:
 - a. The operating surplus/deficit (after Total Expenditure) is positive over the MTREF
 - b. Capital expenditure is balanced by capital funding sources, of which
 - i. Transfers recognised is reflected on the Financial Performance Budget;
 - ii. Borrowing is incorporated in the net cash from financing on the Cash Flow Budget
 - iii. Internally generated funds is financed from a combination of the current operating surplus and accumulated cash-backed surpluses from previous years. The amount is incorporated in the Net cash from investing on the Cash Flow Budget. The fact that the municipality's cash flow remains positive, and is improving indicates that the necessary cash resources are available to fund the Capital Budget.
4. The Cash backing/surplus reconciliation shows that in previous financial years the municipality was not paying much attention to managing this aspect of its finances, and consequently many of its obligations are not cash-backed. This places the municipality in a very vulnerable financial position, as the recent slow-down in revenue collections highlighted. Consequently Council has taken a deliberate decision to ensure adequate cash-backing for all material obligations in accordance with the recently adopted Funding and Reserves Policy. This cannot be achieved in one financial year. But over the MTREF there is progressive improvement in the level of cash-backing of obligations. It is anticipated that the goal of having all obligations cash-back will be achieved by 2015/16, when a small surplus is reflected.
5. Even though the Council is placing great emphasis on securing the financial sustainability of the municipality, this is not being done at the expense of services to the poor. The section of Free Services shows that the amount spent on Free Basic Services and the revenue cost of free services provided by the municipality continues to increase. In addition, the municipality continues to make progress in addressing service delivery backlogs.

Table 11 MBRR Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification)

Standard Classification Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand	1									
Revenue - Standard										
<i>Governance and administration</i>		73,512	64,122	66,818	113,645	87,045	87,045	96,470	113,792	140,459
Executive and council		32,587	30,041	289	3	1	1	1	3	3
Budget and treasury office		40,567	33,583	65,673	111,178	85,056	85,056	94,861	111,924	138,428
Corporate services		358	498	856	2,464	1,987	1,987	1,608	1,865	2,029
<i>Community and public safety</i>		3,679	3,797	3,902	2,427	3,343	3,343	3,600	3,957	4,350
Community and social services		186	615	623	807	696	696	1,223	1,343	1,476
Sport and recreation		26	30	41	35	26	26	54	59	65
Public safety		954	1,083	1,592	1,556	2,180	2,180	2,305	2,535	2,788
Housing		31	29	26	29	25	25	19	20	21
Health		2,481	2,040	1,620	-	417	417	-	-	-
<i>Economic and environmental services</i>		4,013	3,781	2,980	2,987	4,392	4,392	3,155	3,470	3,817
Planning and development		1,586	829	86	-	1,362	1,362	14	15	16
Road transport		2,427	2,952	2,894	2,987	3,031	3,031	3,141	3,455	3,800
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		32,172	38,132	51,553	52,864	58,557	58,557	71,190	78,028	85,529
Electricity		27,802	33,389	46,253	47,335	53,068	53,068	65,391	71,650	78,512
Water		-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-
Waste management		4,370	4,742	5,300	5,529	5,489	5,489	5,799	6,379	7,017
<i>Other</i>	4	1,924	2,001	2,089	2,150	2,170	2,170	2,290	2,450	2,622
Total Revenue - Standard	2	115,301	111,832	127,341	174,073	155,507	155,507	176,704	201,698	236,777
Expenditure - Standard										
<i>Governance and administration</i>		49,082	35,909	40,762	48,680	70,688	70,688	79,895	86,012	92,414
Executive and council		24,569	15,772	21,242	21,392	23,987	23,987	23,326	25,124	27,059
Budget and treasury office		14,807	9,513	6,627	10,292	25,247	25,247	29,197	31,432	33,847
Corporate services		9,706	10,624	12,893	16,996	21,454	21,454	27,372	29,455	31,508
<i>Community and public safety</i>		15,186	17,021	20,392	23,910	21,038	21,038	25,968	27,807	29,722
Community and social services		1,783	2,186	2,521	3,032	2,877	2,877	4,435	4,756	5,072
Sport and recreation		3,293	3,647	4,154	3,599	3,459	3,459	4,944	5,312	5,688
Public safety		6,196	7,111	9,188	10,790	13,559	13,559	16,221	17,339	18,535
Housing		1,140	1,083	621	1,591	876	876	277	310	337
Health		2,774	2,993	3,909	4,898	268	268	90	90	90
<i>Economic and environmental services</i>		16,525	19,956	16,508	22,546	23,637	23,637	22,921	24,631	26,152
Planning and development		2,752	3,269	660	1,617	3,295	3,295	3,841	4,223	4,522
Road transport		13,773	16,687	15,848	20,929	20,342	20,342	19,080	20,408	21,630
Environmental protection		-	-	-	-	-	-	-	-	-
<i>Trading services</i>		31,540	34,100	49,227	59,487	57,630	57,630	74,531	80,295	86,680
Electricity		25,246	28,169	41,009	51,228	48,766	48,766	64,199	69,250	74,792
Water		-	-	-	-	-	-	-	-	-
Waste water management		66	63	88	127	213	213	170	89	97
Waste management		6,228	5,867	8,131	8,132	8,651	8,651	10,162	10,956	11,791
<i>Other</i>	4	4	3	-	1	-	-	-	-	-
Total Expenditure - Standard	3	112,337	106,990	126,889	154,624	172,993	172,993	203,314	218,745	234,967
Surplus/(Deficit) for the year		2,964	4,842	452	19,449	(17,486)	(17,486)	(26,610)	(17,046)	1,809

Explanatory notes to MBRR Table A2 - Budgeted Financial Performance (revenue and expenditure by standard classification)

1. Table A2 is a view of the budgeted financial performance in relation to revenue and expenditure per standard classification. The modified GFS standard classification divides the municipal services into 15 functional areas. Municipal revenue, operating expenditure and capital expenditure are then classified in terms of each of these functional areas which enables the National Treasury to compile 'whole of government' reports.
2. Note the Total Revenue on this table includes capital revenues (Transfers recognised – capital) and so does not balance to the operating revenue shown on Table A4.
3. Note that as a general principle the revenues for the Trading Services should exceed their expenditures. The table highlights that this is the case for Electricity and Waste functions. As already noted above, the municipality will be undertaking a detailed study of this function to explore ways of improving efficiencies and provide a basis for re-evaluating the function's tariff structure.
4. Other functions that show a deficit between revenue and expenditure are being financed from rates revenues and other revenue sources reflected under the Corporate Services.

Table 4 MBRR Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)

Vote Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand										
Revenue by Vote	1									
Vote 1 - EXECUTIVE AND COUNCIL		32,587	30,041	289	3	1	1	1	3	3
Vote 2 - BUDGET AND TREASURY OFFICE		40,567	33,583	66,062	111,178	85,697	85,697	95,514	112,623	139,175
Vote 3 - PLANNING AND DEVELOPMENT		1,586	829	86	1	1,362	1,362	14	15	16
Vote 4 - HEALTH		2,481	2,040	1,620	-	417	417	-	-	-
Vote 5 - COMMUNITY AND SOCIAL		186	615	623	807	696	696	1,223	1,344	1,475
Vote 6 - HOUSING		31	29	26	29	25	25	19	20	21
Vote 7 - PUBLIC SAFETY		480	448	862	656	1,350	1,350	1,400	1,540	1,694
Vote 8 - SPORT AND RECREATION		26	30	41	35	26	26	54	59	65
Vote 9 - ENVIRONMENTAL PROTECTION		-	-	-	-	-	-	-	-	-
Vote 10 - WASTE MANAGEMENT		4,370	4,742	5,300	5,529	5,489	5,489	5,799	6,379	7,017
Vote 11 - ROAD TRANSPORT		2,427	2,952	2,894	2,987	3,031	3,031	3,141	3,455	3,800
Vote 12 - ELECTRICITY		28,276	34,025	46,984	48,235	53,893	53,893	66,291	72,640	79,601
Vote 13 - OTHER		1,924	2,001	2,089	2,150	2,170	2,170	2,290	2,450	2,622
Vote 14 - CORPORATE SERVICES		358	498	467	2,464	1,351	1,351	960	1,172	1,286
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Revenue by Vote	2	115,301	111,832	127,341	174,074	155,508	155,508	176,706	201,700	236,775
Expenditure by Vote to be appropriated	1									
Vote 1 - EXECUTIVE AND COUNCIL		24,569	15,772	21,242	21,392	23,987	23,987	23,326	25,124	27,059
Vote 2 - BUDGET AND TREASURY OFFICE		14,807	9,513	6,627	10,291	25,246	25,246	29,197	31,432	33,846
Vote 3 - PLANNING AND DEVELOPMENT		2,752	3,269	660	1,617	3,295	3,295	3,841	4,223	4,522
Vote 4 - HEALTH		2,774	2,993	3,909	4,898	268	268	90	90	90
Vote 5 - COMMUNITY AND SOCIAL		1,783	2,186	2,832	3,032	2,878	2,878	4,435	4,757	5,073
Vote 6 - HOUSING		1,140	1,083	621	1,591	876	876	277	310	337
Vote 7 - PUBLIC SAFETY		5,935	6,767	8,790	10,365	13,134	13,134	15,772	16,845	17,991
Vote 8 - SPORT AND RECREATION		3,293	3,647	4,154	3,599	3,459	3,459	4,944	5,312	5,688
Vote 9 - ENVIRONMENTAL PROTECTION		-	-	-	-	-	-	-	-	-
Vote 10 - WASTE MANAGEMENT		6,294	5,931	8,219	8,259	8,864	8,864	10,332	11,045	11,888
Vote 11 - ROAD TRANSPORT		13,773	16,687	15,848	20,929	20,342	20,342	19,079	20,407	21,629
Vote 12 - ELECTRICITY		25,508	28,513	41,407	51,653	49,191	49,191	64,648	69,744	75,335
Vote 13 - OTHER		4	3	-	1	-	-	-	-	-
Vote 14 - CORPORATE SERVICES		9,706	10,624	12,581	16,996	21,454	21,454	27,372	29,455	31,508
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-
Total Expenditure by Vote	2	112,337	106,990	126,889	154,623	172,994	172,994	203,313	218,744	234,966
Surplus/(Deficit) for the year	2	2,964	4,842	452	19,451	(17,486)	(17,486)	(26,607)	(17,044)	1,809

Explanatory notes to MBRR Table A3 - Budgeted Financial Performance (revenue and expenditure by municipal vote)

1. Table A3 is a view of the budgeted financial performance in relation to the revenue and expenditure per municipal vote. This table facilitates the view of the budgeted operating performance in relation to the organisational structure of the Municipality. This means it is possible to present the operating surplus or deficit of a vote.

Table 13 MBRR Table A4 - Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand	1										
Revenue By Source											
Property rates	2	21,028	13,564	13,799	16,178	18,850	18,850	-	20,461	22,098	23,866
Property rates - penalties & collection charges		1,085	1,180	1,251	1,300	1,300	1,300		1,330	1,436	1,551
Service charges - electricity revenue	2	28,276	34,013	42,433	48,235	48,893	48,893	-	52,291	57,520	63,272
Service charges - water revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - sanitation revenue	2	-	-	-	-	-	-	-	-	-	-
Service charges - refuse revenue	2	4,359	4,726	5,290	5,529	5,486	5,486	-	5,790	6,369	7,006
Service charges - other		189	317	563	407	883	883		872	959	1,055
Rental of facilities and equipment		2,827	2,998	2,819	2,979	2,880	2,880		3,032	3,245	3,472
Interest earned - external investments		3,279	2,939	3,261	2,700	2,700	2,700		2,700	2,970	3,119
Interest earned - outstanding debtors		192	157	154	167	163	163		183	201	211
Dividends received											
Fines		434	325	491	404	804	804		804	884	973
Licences and permits		1,656	2,071	1,914	2,002	1,963	1,963		2,045	2,250	2,475
Agency services		817	925	970	1,016	1,082	1,082		1,110	1,221	1,343
Transfers recognised - operational		32,622	34,788	44,951	44,966	52,263	52,263		67,053	81,869	106,100
Other revenue	2	8,326	2,801	841	111	119	119	-	171	190	209
Gains on disposal of PPE		87	91			209	209		10	11	12
Total Revenue (excluding capital transfers and contributions)		105,177	100,895	118,737	125,993	137,595	137,595	-	157,853	181,223	214,663
Expenditure By Type											
Employee related costs	2	22,892	29,810	37,339	45,842	41,459	41,459	-	58,893	63,180	67,592
Remuneration of councillors		4,348	4,316	4,668	5,858	5,971	5,971		6,272	6,692	7,141
Debt impairment	3	3,437	618	9	3,090	2,840	2,840		3,180	3,498	3,848
Depreciation & asset impairment	2	14,667	16,785	16,823	21,207	21,218	21,218	-	21,251	22,362	23,445
Finance charges		24	41	23							
Bulk purchases	2	18,640	22,479	29,004	40,000	34,000	34,000	-	37,000	39,960	43,200
Other materials	8										
Contracted services		11,281	10,862	11,938	6,839	24,654	24,654	-	28,913	31,342	33,849
Transfers and grants		1,534	1,390	1,103	2,311	1,810	1,810	-	1,910	2,063	2,228
Other expenditure	4, 5	35,517	20,689	25,981	29,478	41,043	41,043	-	45,892	49,529	53,539
Loss on disposal of PPE											
Total Expenditure		112,340	106,990	126,889	154,624	172,994	172,994	-	203,311	218,626	234,842
Surplus/(Deficit)		(7,163)	(6,095)	(8,152)	(28,631)	(35,398)	(35,398)	-	(45,458)	(37,403)	(20,179)
Transfers recognised - capital		10,124	10,937	8,604	48,079	17,912	17,912		18,851	20,359	21,988
Contributions recognised - capital	6	-	-	-	-	-	-	-	-	-	-
Contributed assets											
Surplus/(Deficit) after capital transfers & contributions		2,961	4,842	452	19,448	(17,486)	(17,486)	-	(26,607)	(17,044)	1,809
Taxation											
Surplus/(Deficit) after taxation		2,961	4,842	452	19,448	(17,486)	(17,486)	-	(26,607)	(17,044)	1,809
Attributable to minorities											
Surplus/(Deficit) attributable to municipality		2,961	4,842	452	19,448	(17,486)	(17,486)	-	(26,607)	(17,044)	1,809
Share of surplus/ (deficit) of associate	7										
Surplus/(Deficit) for the year		2,961	4,842	452	19,448	(17,486)	(17,486)	-	(26,607)	(17,044)	1,809

Explanatory notes to Table A4 - Budgeted Financial Performance (revenue and expenditure)

1. Total revenue is R157.8 million in 2013/14 and escalates to R214.6 million by 2015/16. This represents a year-on-year increase of 87.1 per cent for the 2014/15 financial year and 84.4 per cent for the 2015/16 financial year.
2. Revenue to be generated from property rates is R20.4 million in the 2013/14 financial year and increases to R23.8 million by 2015/16 which represents 13 per cent of the operating revenue base of the Municipality and therefore remains a significant funding source for the municipality. It remains relatively constant over the medium-term and tariff increases have been factored in at 5.5 per cent and 10 per cent for each of the respective financial years of the MTREF.
3. Services charges relating to electricity and refuse removal constitutes the biggest component of the revenue basket of the Municipality totalling R58 million for the 2013/14 financial year and increasing to R70.2 million by 2014/15. For the 2013/14 financial year services charges amount to 36.8 per cent of the total revenue base and grows by 8 per cent per annum over the medium-term. This growth can mainly be attributed to the increase in the bulk prices of electricity and water.
4. Transfers recognised – operating includes the local government equitable share and other operating grants from national and provincial government. It needs to be noted that in real terms the grants receipts from national government are growing rapidly over the MTREF by 22.1 per cent and 29.6 per cent for the two outer years. The percentage share of this revenue source declines due to the more rapid relative growth in service charge revenues.
5. The following graph illustrates the major expenditure items per type.

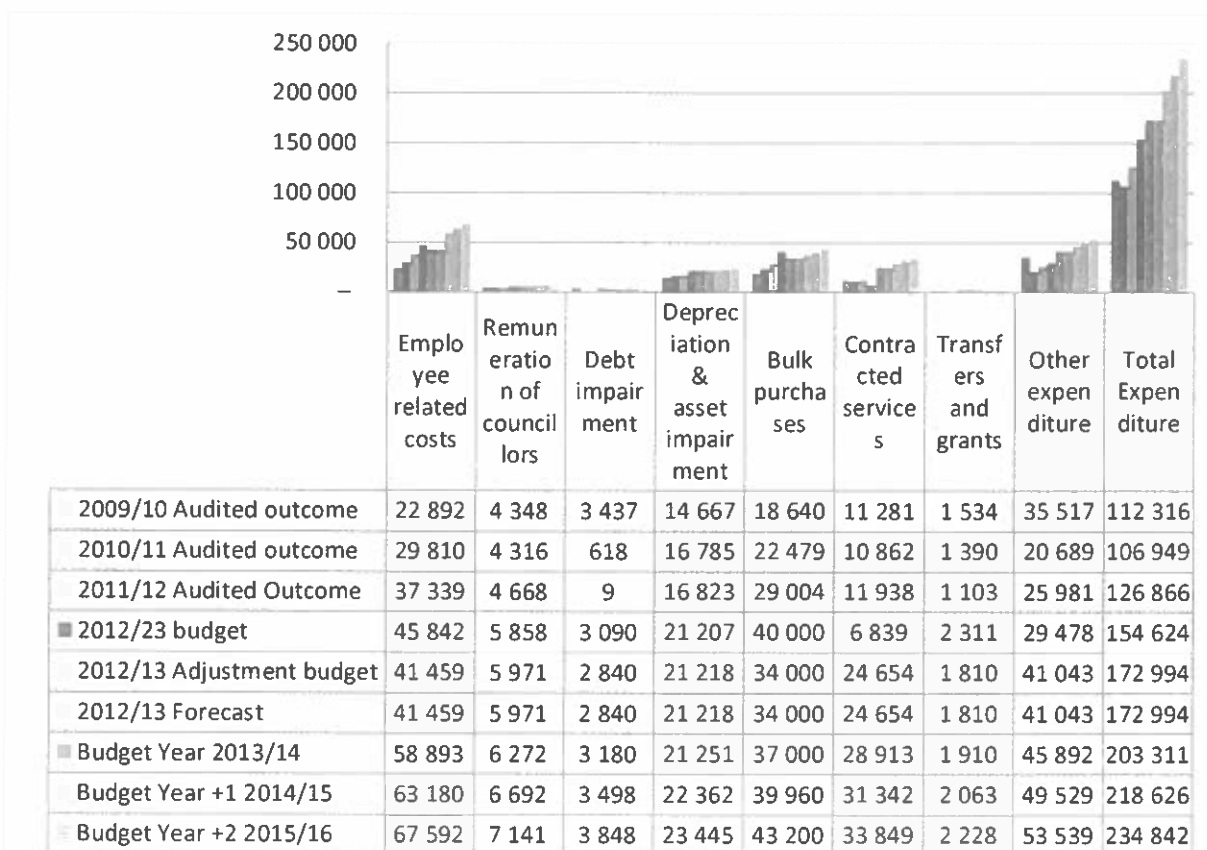


Figure 2 Expenditure by major type

6. Bulk purchases have significantly increased over the 2009/10 to 2015/16 period escalating from R18.6 million to R43.2 Million. These increases can be attributed to the substantial increase in the cost of bulk electricity from Eskom.
7. Employee related costs and bulk purchases are the main cost drivers within the municipality and alternative operational gains and efficiencies will have to be identified to lessen the impact of wage and bulk tariff increases in future years.

Table 14 MBRR Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source

Vote Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Capital expenditure - Vote											
Multi-year expenditure to be appropriated	2										
Vote 1 - EXECUTIVE AND COUNCIL		-	-	-	-	-	-	-	-	-	-
Vote 2 - BUDGET AND TREASURY OFFICE		-	-	-	-	-	-	-	-	-	-
Vote 3 - PLANNING AND DEVELOPMENT		-	-	-	-	-	-	-	-	-	-
Vote 4 - HEALTH		-	-	-	-	-	-	-	-	-	-
Vote 5 - COMMUNITY AND SOCIAL		-	-	-	-	-	-	-	-	-	-
Vote 6 - HOUSING		-	-	-	-	-	-	-	-	-	-
Vote 7 - PUBLIC SAFETY		-	-	-	-	-	-	-	-	-	-
Vote 8 - SPORT AND RECREATION		-	-	-	-	-	-	-	-	-	-
Vote 9 - ENVIRONMENTAL PROTECTION		-	-	-	-	-	-	-	-	-	-
Vote 10 - WASTE MANAGEMENT		-	-	-	-	-	-	-	-	-	-
Vote 11 - ROAD TRANSPORT		-	-	-	-	-	-	-	-	-	-
Vote 12 - ELECTRICITY		-	-	-	-	-	-	-	-	-	-
Vote 13 - OTHER		-	-	-	-	-	-	-	-	-	-
Vote 14 - CORPORATE SERVICES		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	7	-	-	-	-	-	-	-	-	-	-
Single-year expenditure to be appropriated	2										
Vote 1 - EXECUTIVE AND COUNCIL		44	1	443	136	645	145	-	655	-	-
Vote 2 - BUDGET AND TREASURY OFFICE		219	75	683	435	74	54	-	182	4,000	50
Vote 3 - PLANNING AND DEVELOPMENT		1,316	-	-	-	10	10	-	-	-	-
Vote 4 - HEALTH		2	-	-	-	-	-	-	-	-	-
Vote 5 - COMMUNITY AND SOCIAL		600	1,313	51	6,622	10,303	10,134	-	649	-	-
Vote 6 - HOUSING		1,327	-	-	-	-	-	-	-	-	-
Vote 7 - PUBLIC SAFETY		-	84	31	690	995	800	-	2,726	400	400
Vote 8 - SPORT AND RECREATION		525	-	1,515	2,630	2,405	1,433	-	2,100	2,100	100
Vote 9 - ENVIRONMENTAL PROTECTION		-	-	-	-	-	-	-	-	-	-
Vote 10 - WASTE MANAGEMENT		132	175	595	1,650	800	500	-	-	-	-
Vote 11 - ROAD TRANSPORT		17,124	16,368	7,824	22,663	31,713	27,000	-	18,028	12,928	-
Vote 12 - ELECTRICITY		1,955	2,663	1,154	12,800	1,750	1,478	-	4,950	8,100	40
Vote 13 - OTHER		-	-	-	-	-	-	-	-	-	-
Vote 14 - CORPORATE SERVICES		436	417	12	483	526	488	-	363	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		23,680	21,096	12,309	48,109	49,221	42,043	-	29,653	27,528	590
Total Capital Expenditure - Vote		23,680	21,096	12,309	48,109	49,221	42,043	-	29,653	27,528	590

Explanatory notes to Table A5 - Budgeted Capital Expenditure by vote, standard classification and funding source

1. Table A5 is a breakdown of the capital programme in relation to capital expenditure by municipal vote (multi-year and single-year appropriations); capital expenditure by standard classification; and the funding sources necessary to fund the capital budget, including information on capital transfers from national and provincial departments.
2. Single-year capital expenditure has been appropriated at R29.6 million for the 2013/14 financial year and declines over the MTREF at levels of R27.5 million and R560 thousand respectively for the two outer years.
3. Unlike multi-year capital appropriations, single-year appropriations relate to expenditure that will be incurred in the specific budget year such as the procurement of vehicles and specialized tools and equipment. The budget appropriations for the two outer years are indicative allocations based on the departmental business plans as informed by the IDP and will be reviewed on an annual basis to assess the relevance of the expenditure in relation to the strategic objectives and service delivery imperatives of the Municipality. For the purpose of funding assessment of the MTREF, these appropriations have been included but no commitments will be incurred against single-year appropriations for the two outer-years.
4. The capital programme is funded from capital and provincial grants and transfers, public contributions and donations, borrowing and internally generated funds from current year surpluses.

Table 15 MBRR Table A6 - Budgeted Financial Position

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand											
ASSETS											
Current assets											
Cash		1,465	2,633	4,295	891	1,000	1,000		1,000		
Call investment deposits	1	38,768	45,729	60,020	10,000	27,894	27,894	-	5,757	-	-
Consumer debtors	1	15,018	16,343	18,590	11,694	16,580	16,580	-	14,080	11,580	8,780
Other debtors		2,373	5,478	1,807	3,000	1,800	1,800				
Current portion of long-term receivables		21	24	31	20	20	20				
Inventory	2	1,312	1,254	1,354	1,800	1,500	1,500				
Total current assets		58,957	71,461	86,097	27,405	48,794	48,794	-	20,837	11,580	8,780
Non current assets											
Long-term receivables		62	34		60	50	50				
Investments											
Investment property		46,824	64,189	73,620	65,000	73,620	73,620		73,620	73,620	73,620
Investment in Associate											
Property, plant and equipment	3	105,432	109,736	384,746	168,493	403,721	403,721	-	407,321	415,318	428,861
Agricultural											
Biological											
Intangible											
Other non-current assets											
Total non current assets		152,318	173,961	458,366	233,553	477,391	477,391	-	480,941	488,938	502,481
TOTAL ASSETS		211,275	245,422	544,463	260,958	526,185	526,185	-	501,778	500,518	511,261
LIABILITIES											
Current liabilities											
Bank overdraft	1									14,584	22,318
Borrowing	4	107	125	82	-	-	-	-	-	-	-
Consumer deposits		1,769	1,849	1,988	2,200	2,200	2,200		2,300	2,400	2,500
Trade and other payables	4	15,920	22,789	32,331	21,000	31,000	31,000	-	33,000	34,000	35,000
Provisions		456	362	339							
Total current liabilities		18,252	25,125	34,740	23,200	33,200	33,200	-	35,300	50,984	59,818
Non current liabilities											
Borrowing		207	82	-	-	-	-	-	-	-	-
Provisions		7,906	8,000	8,023	8,000	8,000	8,000	-	8,000	8,000	8,000
Total non current liabilities		8,113	8,082	8,023	8,000	8,000	8,000	-	8,000	8,000	8,000
TOTAL LIABILITIES		26,365	33,207	42,762	31,200	41,200	41,200	-	43,300	58,984	67,818
NET ASSETS	5	184,910	212,215	501,701	229,758	484,985	484,985	-	458,478	441,534	443,443
COMMUNITY WEALTH/EQUITY											
Accumulated Surplus/(Deficit)		129,455	138,551	116,151	153,583	110,765	110,765		96,258	91,314	105,223
Reserves	4	55,455	73,664	385,550	76,175	374,220	374,220	-	362,220	350,220	338,220
Minorities' interests											
TOTAL COMMUNITY WEALTH/EQUITY	5	184,910	212,215	501,701	229,758	484,985	484,985	-	458,478	441,534	443,443

Explanatory notes to Table A6 - Budgeted Financial Position

1. Table A6 is consistent with international standards of good financial management practice, and improves understandability for councilors and management of the impact of the budget on the statement of financial position (balance sheet).
2. This format of presenting the statement of financial position is aligned to GRAP1, which is generally aligned to the international version which presents Assets less Liabilities as "accounting" Community Wealth. The order of items within each group illustrates items in order of liquidity; i.e. assets readily converted to cash, or liabilities immediately required to be met from cash, appear first.
3. Table 66 is supported by an extensive table of notes (SA3 which can be found on page 102) providing a detailed analysis of the major components of a number of items, including:
 - Call investments deposits;
 - Consumer debtors;
 - Property, plant and equipment;
 - Trade and other payables;
 - Provisions non current;
 - Changes in net assets; and
 - Reserves
4. The municipal equivalent of equity is Community Wealth/Equity. The justification is that ownership and the net assets of the municipality belong to the community.
5. Any movement on the Budgeted Financial Performance or the Capital Budget will inevitably impact on the Budgeted Financial Position. As an example, the collection rate assumption will impact on the cash position of the municipality and subsequently inform the level of cash and cash equivalents at year end. Similarly, the collection rate assumption should inform the budget appropriation for debt impairment which in turn would impact on the provision for bad debt. These budget and planning assumptions form a critical link in determining the applicability and relevance of the budget as well as the determination of ratios and financial indicators. In addition the funding compliance assessment is informed directly by forecasting the statement of financial position.

Table 16 MBRR Table A7 - Budgeted Cash Flow Statement

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand											
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Ratepayers and other		50,925	63,107	80,817	78,327	82,532	82,532		87,100	95,384	104,596
Government - operating	1	29,831	34,399	44,951	44,966	52,263	52,263		67,053	81,869	106,100
Government - capital	1	12,915	11,326	8,604	48,079	17,912	17,912		18,851	20,359	21,988
Interest		3,279	2,939	3,261	2,700	2,700	2,700		2,700	2,970	3,119
Dividends											
Payments											
Suppliers and employees		(85,088)	(82,597)	(109,405)	(130,327)	(150,847)	(150,847)		(172,990)	(191,564)	(206,549)
Finance charges		(24)	(41)	(23)							
Transfers and Grants	1										
NET CASH FROM/(USED) OPERATING ACTIVITIES		11,838	29,133	28,206	43,745	4,560	4,560	-	2,714	9,018	29,254
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		85	91								
Decrease (Increase) in non-current debtors		19	27	34							
Decrease (increase) other non-current receivables											
Decrease (increase) in non-current investments											
Payments											
Capital assets		(24,073)	(21,096)	(12,299)	(72,000)	(40,193)	(40,193)		(24,851)	(30,359)	(36,988)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(23,968)	(20,976)	(12,265)	(72,000)	(40,193)	(40,193)	-	(24,851)	(30,359)	(36,988)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans											
Borrowing long term/refinancing		314	(108)	(125)							
Increase (decrease) in consumer deposits		155	80	139		212	212				
Payments											
Repayment of borrowing											
NET CASH FROM/(USED) FINANCING ACTIVITIES		469	(28)	14	-	212	212	-	-	-	-
NET INCREASE/ (DECREASE) IN CASH HELD											
		(11,662)	8,127	15,955	(28,255)	(35,421)	(35,421)	-	(22,137)	(21,341)	(7,734)
Cash/cash equivalents at the year begin:	2	51,895	40,233	48,360	40,818	64,315	64,315	64,315	28,894	6,757	(14,584)
Cash/cash equivalents at the year end:	2	40,233	48,360	64,315	12,563	28,894	28,894	64,315	6,757	(14,584)	(22,318)

Table 17 MBRR Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand											
Cash and investments available											
Cash/cash equiv alerts at the year end	1	40,233	48,360	64,315	12,563	28,894	28,894	64,315	6,757	(14,584)	(22,318)
Other current investments > 90 days		-	2	(0)	(1,672)	-	-	(64,315)	-	-	0
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-
Cash and investments available:		40,233	48,362	64,315	10,891	28,894	28,894	-	6,757	(14,584)	(22,318)
Application of cash and investments											
Unspent conditional transfers		5,657	5,401	14,210	10,000	14,000	14,000	-	15,000	15,000	15,000
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2	-	-	-	-	-	-	-	-	-	-
Other working capital requirements	3	(2,792)	(4,477)	(5,971)	(3,754)	(1,454)	(1,454)	-	4,078	7,539	11,290
Other provisions		-	-	-	-	-	-	-	-	-	-
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5	-	-	-	-	-	-	-	-	-	-
Total Application of cash and investments:		2,865	924	8,239	6,246	12,546	12,546	-	19,078	22,539	26,290
Surplus(shortfall)		37,368	47,438	56,076	4,645	16,348	16,348	-	(12,321)	(37,123)	(48,608)

Explanatory notes to Table A7 - Budgeted Cash Flow Statement

1. The budgeted cash flow statement is the first measurement in determining if the budget is funded.
2. It shows the expected level of cash in-flow versus cash out-flow that is likely to result from the implementation of the budget.
3. It can be seen that the cash levels of the Municipality increased significantly over the 2009/12 period owing directly to a net increase in cash for the 2011/12 financial year of R64 million.
4. The approved 2012/13 MTREF provide for a net decrease in cash of R51 million for the 2012/13 financial year resulting in an overall cash position of R12 million at year end.
5. As part of the 2012/13 mid-year review and Adjustments Budget this unsustainable cash position had to be addressed as a matter of urgency and various interventions were implemented such as the reduction of expenditure allocations and rationalization of spending priorities.
6. The 2013/14 MTREF has been informed by the planning principle of ensuring adequate cash reserves over the medium-term.
7. Cash and cash equivalents totals R28 Million as at the end of the 2012/13 financial year and decreases a negative of R22 million by 2015/16.
8. Measures would need to be put in place to prevent this from happening as it will result in the municipality not being in a position to continue as a going concern.

Explanatory notes to Table A8 - Cash Backed Reserves/Accumulated Surplus Reconciliation

1. The cash backed reserves/accumulated surplus reconciliation is aligned to the requirements of MFMA Circular 42 – Funding a Municipal Budget.
2. In essence the table evaluates the funding levels of the budget by firstly forecasting the cash and investments at year end and secondly reconciling the available funding to the liabilities/commitments that exist.
3. The outcome of this exercise would either be a surplus or deficit. A deficit would indicate that the applications exceed the cash and investments available and would be indicative of non-compliance with the MFMA requirements that the municipality's budget must be "funded".
4. Non-compliance with section 18 of the MFMA is assumed because a shortfall would indirectly indicate that the annual budget is not appropriately funded.
5. From the table it can be seen that for the period 2012/13 to 2015/16 the surplus deteriorates from R16 million to (R48 million).
6. Considering the requirements of section 18 of the MFMA, it can be concluded that the as from 2013/14 MTREF the budget is not funded owing to the significant budgeted deficit.
7. As part of the budgeting and planning guidelines that informed the compilation of the 2013/14 MTREF the end objective of the medium-term framework was to ensure the budget is funded aligned to section 18 of the MFMA.
8. As can be seen the budget has progressively move from a surplus of R16 million in 2012/13 to a deficit of R48 million by 2015/16.

Part 2 – Supporting Documentation

1.8 Overview of the annual budget process

Section 53 of the MFMA requires the Mayor of the municipality to provide general political guidance in the budget process and the setting of priorities that must guide the preparation of the budget. In addition Chapter 2 of the Municipal Budget and Reporting Regulations states that the Mayor of the municipality must establish a Budget Steering Committee to provide technical assistance to the Mayor in discharging the responsibilities set out in section 53 of the Act.

The Budget Steering Committee consists of the Municipal Manager and senior officials of the municipality meeting under the chairpersonship of the MMC for Finance.

The primary aims of the Budget Steering Committee is to ensure:

- that the process followed to compile the budget complies with legislation and good budget practices;
- that there is proper alignment between the policy and service delivery priorities set out in the Municipality's IDP and the budget, taking into account the need to protect the financial sustainability of municipality;
- that the municipality's revenue and tariff setting strategies ensure that the cash resources needed to deliver services are available; and
- that the various spending priorities of the different municipal departments are properly evaluated and prioritised in the allocation of resources.

1.9 Overview of budget related-policies

The Municipality's budgeting process is guided and governed by relevant legislation, frameworks, strategies and related policies.

1.9.1 Review of credit control and debt collection procedures/policies

The Collection Policy as approved by Council is currently under review. While the adopted policy is credible, sustainable, manageable and informed by affordability and value for money there has been a need to review certain components to achieve a higher collection rate. Some of the possible revisions will include the lowering of the credit periods for the down payment of debt. In addition emphasis will be placed on speeding up the indigent registration process to ensure that credit control and debt collection efforts are not fruitlessly wasted on these debtors.

As most of the indigents within the municipal area are unable to pay for municipal services because they are unemployed, the Integrated Indigent Exit Programme aims to link the registered indigent households to development, skills and job opportunities. The programme also seeks to ensure that all departments as well as external role players are actively involved in the reduction of the number of registered indigent households.

The 2013/14 MTREF has been prepared on the basis of achieving an average debtors' collection rate of 80 per cent on current billings. In addition the collection of debt in excess of 90 days has been prioritised as a pertinent strategy in increasing the Municipality's cash levels. In

addition, the potential of a payment incentive scheme is being investigated and if found to be viable will be incorporated into the policy.

1.9.2 Asset Management, Infrastructure Investment and Funding Policy

A proxy for asset consumption can be considered the level of depreciation each asset incurs on an annual basis. Preserving the investment in existing infrastructure needs to be considered a significant strategy in ensuring the future sustainability of infrastructure and the Municipality's revenue base. Within the framework, the need for asset renewal was considered a priority and hence the capital programme was determined based on renewal of current assets versus new asset construction.

Further, continued improvements in technology generally allows many assets to be renewed at a lesser 'real' cost than the original construction cost. Therefore, it is considered prudent to allow for a slightly lesser continual level of annual renewal than the average annual depreciation. The Asset Management, Infrastructure and Funding Policy is therefore considered a strategic guide in ensuring a sustainable approach to asset renewal, repairs and maintenance and is utilised as a guide to the selection and prioritisation of individual capital projects. In addition the policy prescribes the accounting and administrative policies and procedures relating to property, plant and equipment (fixed assets).

1.9.3 Budget Adjustment Policy

The adjustments budget process is governed by various provisions in the MFMA and is aimed at instilling and establishing an increased level of discipline, responsibility and accountability in the financial management practices of municipalities. To ensure that the Municipality continues to deliver on its core mandate and achieves its developmental goals, the mid-year review and adjustment budget process will be utilised to ensure that underperforming functions are identified and funds redirected to performing functions.

1.9.4 Supply Chain Management Policy

The Supply Chain Management Policy was adopted by Council. An amended policy will be considered by Council in due course of which the amendments will be extensively consulted on.

1.9.5 Budget and Virement Policy

The Budget and Virement Policy aims to empower senior managers with an efficient financial and budgetary amendment and control system to ensure optimum service delivery within the legislative framework of the MFMA and the Municipality's system of delegations. The Budget and Virement Policy was approved by Council and was amended soon in respect of both Operating and Capital Budget Fund Transfers.

1.9.6 Cash Management and Investment Policy

The Municipality's Cash Management and Investment Policy is to be amended by Council. The aim of the policy is to ensure that the Municipality's surplus cash and investments are

adequately managed, especially the funds set aside for the cash backing of certain reserves. The policy details the minimum cash and cash equivalents required at any point in time and introduces time frames to achieve certain benchmarks.

1.9.7 Tariff Policies

The Municipality's tariff policies provide a broad framework within which the Council can determine fair, transparent and affordable charges that also promote sustainable service delivery. The policies have been approved on various dates and a consolidated tariff policy is envisaged to be compiled for ease of administration and implementation of the next two years.

All the above policies will be available on the Municipality's website, as well as the following budget related policies:

- Property Rates Policy;
- Funding and Reserves Policy;
- Borrowing Policy;
- Budget Policy; and
- Basic Social Services Package (Indigent Policy).

1.10 Overview of budget funding

1.10.1 Medium-term outlook: operating revenue

The following table is a breakdown of the operating revenue over the medium-term:

Table 18 Breakdown of the operating revenue over the medium-term

Description R thousand	2013/14 Medium Term Revenue & Expenditure Framework					
	Budget Year 2013/14	%	Budget Year +1 2014/15	%	Budget Year +2 2015/16	%
Revenue By Source						
Property rates	20,461	12.96%	22,098	12.19%	23,866	11.12%
Property rates - penalties & collection charges	1,330	1.65%	1,436	1.63%	1,551	1.60%
Service charges - electricity revenue	52,291	33.13%	57,520	31.74%	63,272	29.48%
Service charges - water revenue	-		-		-	
Service charges - sanitation revenue	-		-		-	
Service charges - refuse revenue	5,790	3.67%	6,369	3.51%	7,006	3.26%
Service charges - other	872	1.08%	959	1.08%	1,055	1.09%
Rental of facilities and equipment	3,032	1.92%	3,245	1.79%	3,472	1.62%
Interest earned - external investments	2,700	1.71%	2,970	1.64%	3,119	1.45%
Interest earned - outstanding debtors	183	0.12%	201	0.11%	211	0.10%
Dividends received						
Fines	804	0.51%	884	0.49%	973	0.45%
Licences and permits	2,045	1.30%	2,250	1.24%	2,475	1.15%
Agency services	1,110	0.70%	1,221	0.67%	1,343	0.63%
Transfers recognised - operational	67,053	42.48%	81,869	45.18%	106,100	49.43%
Other revenue	171	0.11%	190	0.10%	209	0.10%
Gains on disposal of PPE	10	0.01%	11	0.01%	12	0.01%
Total Revenue (excluding capital transfers and contributions)	157,853	100%	181,223	100%	214,663	100%
Total revenue from rates and service charges	80,744	51.2%	88,382	48.8%	96,750	45.1%

The following graph is a breakdown of the operational revenue per main category for the 2013/14 financial year.

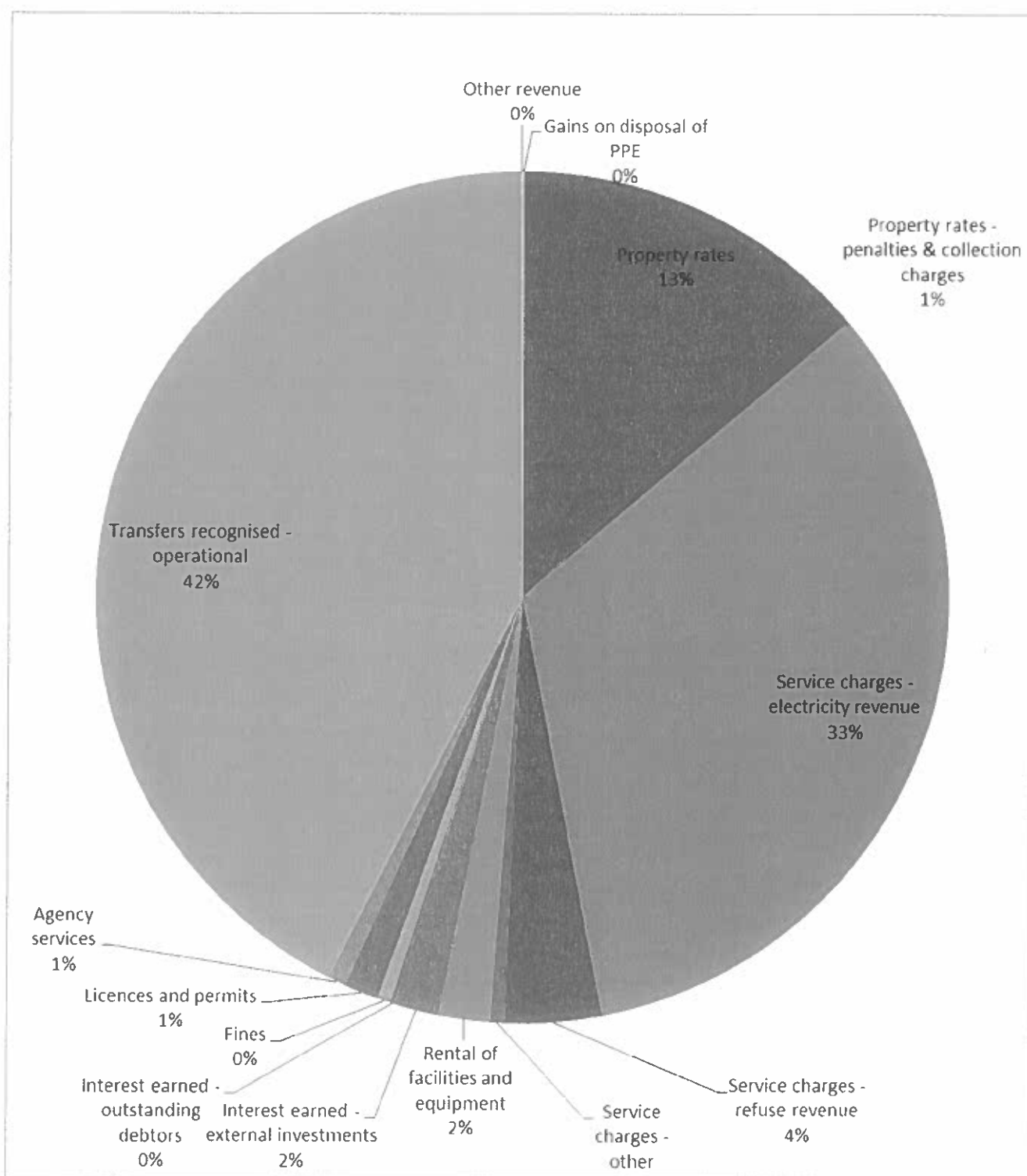


Figure 3 Breakdown of operating revenue over the 2011/12 MTREF

Tariff setting plays a major role in ensuring desired levels of revenue. Getting tariffs right assists in the compilation of a credible and funded budget. The Municipality derives most of its operational revenue from the provision of goods and services such as electricity and solid waste removal. Property rates, operating and capital grants from organs of state and other minor charges (such as building plan fees, licenses and permits etc).

The revenue strategy is a function of key components such as:

- Growth in the Municipality and economic development;
- Revenue management and enhancement;
- Achievement of a 80 per cent annual collection rate for consumer revenue;
- National Treasury guidelines;
- Electricity tariff increases within the National Electricity Regulator of South Africa (NERSA) approval;
- Achievement of full cost recovery of specific user charges;
- Determining tariff escalation rate by establishing/calculating revenue requirements;
- The Property Rates Policy in terms of the Municipal Property Rates Act, 2004 (Act 6 of 2004) (MPRA), and
- And the ability to extend new services and obtain cost recovery levels.

The above principles guide the annual increase in the tariffs charged to the consumers and the ratepayers aligned to the economic forecasts.

The proposed tariff increases for the 2013/14 MTREF on the different revenue categories are:

Table 19 Proposed tariff increases over the medium-term

Revenue category	2013/14 proposed tariff increase	2014/15 proposed tariff increase	2015/16 proposed tariff increase
	%	%	%
Property rates	5.5	10	10
Solid Waste	5.5	10	10
Electricity	8	10	10
Other Charges	5.5	10	10

1.11 Legislation compliance status

Compliance with the MFMA implementation requirements have been substantially adhered to through the following activities:

1. In year reporting
Reporting to National Treasury in electronic format was fully complied with on a monthly basis. Section 71 reporting to the Executive Mayor (within 10 working days) has progressively improved and includes monthly published financial performance on the City's website.
2. Internship programme
The Municipality is participating in the Municipal Financial Management Internship programme and has employed five interns undergoing training in various divisions of the Financial Services Department. Of the five interns one has been appointed permanently from August 2012. One additional interns will be appointed with effect from 1 July 2013.
3. Budget and Treasury Office
The Budget and Treasury Office has been established in accordance with the MFMA.
4. Audit Committee
An Audit Committee has been established and is fully functional.

5. Service Delivery and Implementation Plan

The detail SDBIP document is at a draft stage and will be finalised after approval of the 2013/14 MTREF in May 2013 directly aligned and informed by the 2013/14 MTREF.

6. Annual Report

Annual report is compiled in terms of the MFMA and National Treasury requirements.

7. Policies

All policies are currently under review and will serve before council soon.

1.12 Municipal manager's quality certificate

I BONGANI ALFRED XULU, municipal manager of Umvoti, hereby certify that the annual budget and supporting documentation have been prepared in accordance with the Municipal Finance Management Act and the regulations made under the Act, and that the annual budget and supporting documents are consistent with the Integrated Development Plan of the municipality.

Print Name

BONGANI ALFRED XULU

Municipal manager of Umvoti Municipality

Signature

PP

Date

10/04/2013

KZN245 Umvoti - Supporting Table SA12a Property rates by category (current year)

Description	Ref	Resi.	Indust.	Bus. & Comm.	Farm props.	State-owned	Muni props.	Public service infra.	Private owned towns	Formal & Informal Settlements	Comm. Land	State trust land	Section 8(2)(n) (note 1)	Protect. Areas	National Monuments	Public benefit organs	Mining Props.
Current Year 2012/13																	
Valuation:																	
No. of properties																	
No. of sectional title property values																	
No. of unreasonably difficult properties s7(2)																	
No. of supplementary valuations																	
Supplementary valuation (Rm)																	
No. of valuation roll amendments																	
No. of objections by rate-payers																	
No. of appeals by rate-payers																	
No. of objections by rate-payers finalised																	
No. of successful objections	5																
No. of successful objections > 10%	5																
Estimated no. of properties not valued																	
Years since last valuation (select)																	
Frequency of valuation (select)																	
Method of valuation used (select)																	
Base of valuation (select)																	
Phasing-in properties s21 (number)																	
Combination of rating types used? (Y/N)																	
Floor area used? (Y/N)																	
Is balance rated by uniform rate/variable rate?																	
Valuation reductions:																	
Valuation reductions-public infrastructure (Rm)																	
Valuation reductions-nature reserves/park (Rm)																	
Valuation reductions-mineral rights (Rm)																	
Valuation reductions-R15 000 threshold (Rm)																	
Valuation reductions-public worship (Rm)																	
Valuation reductions-other (Rm)	2																
Total valuation reductions:																	
Total value used for rating (Rm)	6																
Total land value (Rm)	6																
Total value of improvements (Rm)	6																
Total market value (Rm)	6																
Rating:																	
Average rate	3																
Rate revenue budget (R'000)																	
Rate revenue expected to collect (R'000)																	
Expected cash collection rate (%)	4																
Special rating areas (R'000)																	
Rebates, exemptions - indigent (R'000)																	
Rebates, exemptions - pensioners (R'000)																	
Rebates, exemptions - bona fide farm (R'000)																	
Rebates, exemptions - other (R'000)																	
Phase-in reductions/discounts (R'000)																	
Total rebates, exemptions, discounts (R'000)																	

References:

- 1 Land & Assistance Act, Restitution of Land Rights, Communal Property Associations
- 2 Include value of additional reductions is 'free' value greater than MPRA minimum
- 3 Average rate - cents in the Rand. Eg 10 26 cents in the Rand is 0 1026, expressed to 6 decimal places maximum
- 4 Include arrears collections
- 5 In favour of the rate-payer
- 6 Provide relevant information for historical comparisons.

KZN245 Umvoti - Supporting Table SA11 Property rates summary

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Valuation:	1									
Date of valuation										
Financial year valuation used										
Municipal by-laws s6 in place? (Y/N)	2									
Municipal/assistant valuer appointed? (Y/N)										
Municipal partnership s38 used? (Y/N)										
No. of assistant valuers (FTE)	3									
No. of data collectors (FTE)	3									
No. of internal valuers (FTE)	3									
No. of external valuers (FTE)	3									
No. of additional valuers (FTE)	4									
Valuation appeal board established? (Y/N)										
Implementation time of new valuation roll (mths)										
No. of properties	5									
No. of sectional title values	5									
No. of unreasonably difficult properties s7(2)										
No. of supplementary valuations										
No. of valuation roll amendments										
No. of objections by rate payers										
No. of appeals by rate payers										
No. of successful objections	8									
No. of successful objections > 10%	8									
Supplementary valuation										
Public service infrastructure value (Rm)	5									
Municipality owned property value (Rm)										
Valuation reductions:										
Valuation reductions-public infrastructure (Rm)										
Valuation reductions-nature reserves/park (Rm)										
Valuation reductions-mineral rights (Rm)										
Valuation reductions-R15,000 threshold (Rm)										
Valuation reductions-public worship (Rm)										
Valuation reductions-other (Rm)										
Total valuation reductions:		-	-	-	-	-	-	-	-	-
Total value used for rating (Rm)	5									
Total land value (Rm)	5									
Total value of improvements (Rm)	5									
Total market value (Rm)	5									
Rating:										
Residential rate used to determine rate for other categories? (Y/N)										
Differential rates used? (Y/N)	5									
Limit on annual rate increase (s20)? (Y/N)										
Special rating area used? (Y/N)										
Phasing-in properties s21 (number)										
Rates policy accompanying budget? (Y/N)										
Fixed amount minimum value (R'000)										
Non-residential prescribed ratio s19? (%)										
Rate revenue:										
Rate revenue budget (R'000)	6									
Rate revenue expected to collect (R'000)	6									
Expected cash collection rate (%)										
Special rating areas (R'000)	7									
Rebates, exemptions - indigent (R'000)										
Rebates, exemptions - pensioners (R'000)										
Rebates, exemptions - bona fide farm (R'000)										
Rebates, exemptions - other (R'000)										
Phase-in reductions/discounts (R'000)										
Total rebates, exemptions, reductions, discounts (R'000)		-	-	-	-	-	-	-	-	-

References

1. All numbers to be expressed as whole numbers except FTEs and Rates in the Rand
2. To give effect to rates policy
3. Full Time Equivalent (FTE) should be expressed to one decimal place and takes into account full time and part time staff
4. Required to implement new system (FTE)
5. Provide relevant information for historical comparisons. Must reconcile to the total of Table SA12
6. Current and budget year must reconcile to Table A4 Budgeted Financial Performance (revenue and expenditure)
7. Included in rate revenue budget
8. In favour of the rate-payer

KZN245 Umvoti Supporting Table SA10 Funding measurement

Description	MFMA section	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Funding measures												
Cash/cash equivalents at the year end - R'000	18(1)b	1	40 233	48 360	64 315	12 563	28 894	28 894	64 315	6 757	(14 584)	(22 318)
Cash + investments at the yr end less applications - R'000	18(1)b	2	37 368	47 438	56 076	4 645	16 348	16 348	-	(12 321)	(37 123)	(48 608)
Cash year end/monthly employee/supplier payments	18(1)b	3	6.3	7.5	8.2	1.3	2.7	2.7	-	0.5	(1.1)	(1.5)
Surplus/(Deficit) excluding depreciation offsets: R'000	18(1)	4	2 961	4 842	13 445	19 448	(4 486)	(4 486)	-	(13 607)	(4 044)	14 809
Service charge rev % change - macro CPIIX target exclusive	18(1)a.(2)	5	N.A	(8.1%)	11.7%	7.1%	(0.7%)	(6.0%)	(100.0%)	1.1%	3.5%	3.5%
Cash receipts % of Ratepayer & Other revenue	18(1)a.(2)	6	73.6%	100.0%	114.6%	100.0%	100.1%	100.1%	0.0%	98.9%	99.0%	99.2%
Debt impairment expense as a % of total billable revenue	18(1)a.(2)	7	6.0%	1.1%	0.0%	4.1%	3.6%	3.6%	0.0%	3.8%	3.8%	3.8%
Capital payments % of capital expenditure	18(1)c.19	8	101.7%	100.0%	99.9%	149.7%	81.7%	95.6%	0.0%	83.8%	110.3%	6269.1%
Borrowing receipts % of capital expenditure (excl. transfers)	18(1)c	9	1.3%	(0.5%)	(1.0%)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grants % of Govt. legislated/gazetted allocations	18(1)a	10								0.0%	0.0%	0.0%
Current consumer debtors % change - incr(decr)	18(1)a	11	N.A	25.5%	(6.5%)	(28.0%)	25.1%	0.0%	(100.0%)	(23.5%)	(17.8%)	(24.2%)
Long term receivables % change - incr(decr)	18(1)a	12	N.A	(45.2%)	(100.0%)	0.0%	(16.7%)	0.0%	(100.0%)	(100.0%)	0.0%	0.0%
R&M % of Property Plant & Equipment	20(1)(iv)	13	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Asset renewal % of capital budget	20(1)(iv)	14	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

References

1. Positive cash balances indicative of minimum compliance - subject to 2
2. Deduct cash and investment applications (defined) from cash balances
3. Indicative of sufficient liquidity to meet average monthly operating payments
4. Indicative of funded operational requirements
5. Indicative of adherence to macro-economic targets (prior to 2003/04 revenue not available for high capacity municipalities and later for other capacity classifications)
6. Realistic average cash collection forecasts as % of annual billed revenue
7. Realistic average increase in debt impairment (doubtful debt) provision
8. Indicative of planned capital expenditure level & cash payment timing
9. Indicative of compliance with borrowing 'only' for the capital budget - should not exceed 100% unless refinancing
10. Substantiation of National/Province allocations included in budget
11. Indicative of realistic current arrears debtor collection targets (prior to 2003/04 revenue not available for high capacity municipalities and later for other capacity classifications)
12. Indicative of realistic long term arrears debtor collection targets (prior to 2003/04 revenue not available for high capacity municipalities and later for other capacity classifications)
13. Indicative of a credible allowance for repairs & maintenance of assets - functioning assets revenue protection
14. Indicative of a credible allowance for asset renewal (requires analysis of asset renewal projects as % of total capital projects - detailed capital plan) - functioning assets revenue protection

KZN245 Umvoti - Supporting Table SA8 Performance indicators and benchmarks

Description of financial indicator		Basis of calculation	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
<u>Borrowing Management</u>												
Credit Rating												
Capital Charges to Operating Expenditure	Interest & Principal Paid /Operating Expenditure	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Capital Charges to Own Revenue	Finance charges & Repayment of borrowing /Own Revenue	0.0%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Borrowed funding of 'own' capital expenditure	Borrowing/Capital expenditure excl. transfers and grants and contributions	1.3%	-0.5%	-1.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
<u>Safety of Capital</u>												
Gearing	Long Term Borrowing/ Funds & Reserves	0.4%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
<u>Liquidity</u>												
Current Ratio	Current assets/current liabilities	3.2	2.8	2.5	1.2	1.5	1.5	-	0.6	0.2	0.1	
Current Ratio adjusted for aged debtors	Current assets less debtors > 90 days/current liabilities	3.2	2.8	2.5	1.2	1.5	1.5	-	0.6	0.2	0.1	
Liquidity Ratio	Monetary Assets/Current Liabilities	2.2	1.9	1.9	0.5	0.9	0.9	-	0.2	-	-	
<u>Revenue Management</u>												
Annual Debtors Collection Rate (Payment Level %)	Last 12 Mths Receipts/Last 12 Mths Billing		73.6%	100.1%	114.6%	100.0%	100.1%	100.1%	0.0%	98.9%	99.0%	
Current Debtors Collection Rate (Cash receipts % of Ratepayer & Other revenue)			73.6%	100.0%	114.6%	100.0%	100.1%	100.1%	0.0%	98.9%	99.0%	
Outstanding Debtors to Revenue	Total Outstanding Debtors to Annual Revenue	16.6%	21.7%	17.2%	11.7%	13.4%	13.4%	0.0%	8.9%	6.4%	4.1%	
Longstanding Debtors Recovered	Debtors > 12 Mths Recovered/Total Debtors > 12 Months Old											
<u>Creditors Management</u>												
Creditors System Efficiency	% of Creditors Paid Within Terms (within 'MFMA' s 65(e))											
Creditors to Cash and investments		25.0%	36.0%	27.1%	87.6%	58.8%	58.8%	0.0%	266.4%	-130.3%	-89.6%	
<u>Other Indicators</u>												
	Total Volume Losses (kW)											
Electricity Distribution Losses (2)	Total Cost of Losses (Rand '000)											
	Total Volume Losses (l/l)											
Water Distribution Losses (2)	Total Cost of Losses (Rand '000)											
Employee costs	Employee costs/(Total Revenue - capital revenue)	21.8%	29.5%	31.4%	36.4%	30.1%	30.1%	0.0%	37.3%	34.9%	31.5%	
Remuneration	Total remuneration/(Total Revenue - capital revenue)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Repairs & Maintenance	R&M/(Total Revenue excluding capital revenue)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
Finance charges & Depreciation	FC&D/(Total Revenue - capital revenue)	14.0%	16.7%	14.2%	16.8%	15.4%	15.4%	0.0%	13.5%	12.3%	10.9%	
<u>IDP regulation financial viability indicators</u>												
i Debt coverage	(Total Operating Revenue - Operating Grants)/Debt service payments due within financial year)	24.7	20.3	27.3	30.0	30.0	30.0	-	30.6	31.9	34.8	
ii O/S Service Debtors to Revenue	Total outstanding service debtors/annual revenue received for services	30.1%	38.5%	30.9%	19.7%	23.5%	23.5%	0.0%	16.8%	12.6%	8.8%	
iii Cost coverage	(Available cash + Investments)/monthly fixed operational expenditure	6.3	7.5	8.2	1.3	2.7	2.7	-	0.5	(1.1)	(1.5)	

References

1. Consumer debtors > 12 months old are excluded from current assets
2. Only include if services provided by the municipality

[illegible]

- ### KZN245 Umvoti - Entities measureable performance objectives

[illegible]

Insert measure/s description										
And so on for the rest of the Entities										

1. Include a measurable performance objective as agreed with the parent municipality (MFMA s87(5)(d))
2. Only include prior year comparative information for individual measures where relevant activity occurred in that year/s

KZN245 Umvoti - Supporting Table SA6 Reconciliation of IDP strategic objectives and budget (capital expenditure)

Strategic Objective	Goal	Goal Code	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand												
Preparation and submission of the IDP report	To ensure effective planning process in line with prescribed legislations	A										
Institutional capacity	To ensure council has sufficient capacity to meet service delivery demands	B										
Human resource management	to ensure effective HR function	C										
Organisational Performance Management	To ensure implementation of the Performance Mngement System	D										
Electricity	To ensure provision of electricity to 747 households	E										
Roads	To ensure rehabilitation of Greytown CBD roads	F										
Housing	To facilitate completion of Matimatolo and Ntembisweni Housing schemes	G										
Waste Management	To provide efficient and ergular waste removal services	H										
Public amenities	Ensure efficiency in management and maintenance of public amenities	I										
Improved public and private partnership	Establishment of a fully functional LED Forum	J										
Improved economic growth	To review the LED and Tourism strategy and formulate a SMME Development and Support plan	K										
Poverty alleviation	To ensure poverty elviation through establishment of interdepartmental (internal and external) partnerships	L										
compliznce with Business Act No 71 of 1991	To regulate and effectively manage all traders withing Umvoti jurisdiction	M										
Public Participaton	Foster participatory democracy through a caring, accessible and accountable service	N										
Budgeting and reporting	To ensure effective planning, execution and management of budgetary and reporting processes in line with prescribed	O										
Asset Management	To ensure regular update of assets register	P										
Umvoti Five year Spatal	Formulation of a five year Spatal		3									
Total Capital Expenditure			1	-	-	-	-	-	-	-	-	-

References

1. Total capital expenditure must reconcile to Budgeted Capital Expenditure
2. Goal code must be used on Table SA36

KZN245 Umvoti - Supporting Table SA5 Reconciliation of IDP strategic objectives and budget (operating expenditure)

Strategic Objective	Goal	Goal Code	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand												
Preparation and submission of the IDP report	To ensure effective planning process in line with prescribed legislations											
Institutional capacity	To ensure council has sufficient capacity to meet service delivery demands											
Human resource management	to ensure effective HR function											
Organisational Performance Management	To ensure implementation of the Performance Mngement System											
Electricity	To ensure provision of electricity to 747 households											
Roads	To ensure rehabilitation of Greytown CBD roads											
Housing	To facilitate completion of Matimatolo and Ntombisweni Housing schemes											
Waste Management	To provide efficient and ergular waste removal services											
Public amenities	Ensure efficiency in management and maintenance of public amenities											
Improved public and private partnership	Establishment of a fully functional LED Forum											
Improved economic growth	To review the LED and Tourism strategy and formulate a SMME Development and Support plan											
Poverty alleviation	To ensure poverty eliviation through establishment of interdepartmental (internal and external) partnerships											
compliznce with Business Act No 71 of 1991	To regulate and effectively manage all traders withing Umvoti jurisdiction											
Public Participation	Foster participatory democracy through a caring, accessible and accountable service											
Budgeting and reporting	To ensure effective planning, execution and management of budgetary and reporting processes in line with prescribed											
Asset Management	To ensure regular update of assets register											
Umvoti Five year Spatial Development Framework	Formulation of a five year Spatial Development Framework											
Allocations to other priorities												
Total Expenditure				1	-	-	-	-	-	-	-	-

References

1 Total expenditure must reconcile to Table A4 Budgeted Financial Performance (revenue and expenditure)

KZN245 Umvoti - Supporting Table SA4 Reconciliation of IDP strategic objectives and budget (revenue)

Strategic Objective	Goal	Goal Code	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
				Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand												
Preparation and submission of the IDP report	To ensure effective planning process in line with prescribed legislations											
Institutional capacity	To ensure council has sufficient capacity to meet service delivery demands											
Human resource management	to ensure effective HR function											
Organisational Performance	To ensure implementation of the Performance Mangement System											
Electricity	To ensure provsion of electricity to 747 households											
Roads	To ensure rehabilitation of Greytown CBD roads											
Housing	To facilitate completion of Mabmatolo and Ntombisweni Housing schemes											
Waste Management	To provide efficient and ergular waste removal services											
Public amenities	Ensure efficiency in management and maintenance of public amenities											
Improved public and private partnership	Establishment of a fully functional LED Forum											
Improved economic growth	To review the LED and Tourism strategy and formulate a SMME Development and Support plan											
Poverty alleviation	To ensure poverty etivation through establishment of interdepartmental (internal and external) partnerships											
compliance with Business Act No 71 of 1991	To regulate and effectively manage all traders withing Umvoti iurisdiction											
Public Participation	Foster participatory democracy through a caring, accessible and accountable service											
Budgeting and reporting	To ensure effective planning, execution and management of budgetary and reporting processes in line with prescribed legislations											
Asset Management	To ensure regular update of assets register											
Umvoti Five year Spatial Development Framework	Formulation of a five year Spatial Development Framework											
Allocations to other priorities				2								
Total Revenue (excluding capital transfers and contributions)				1	-	-	-	-	-	-	-	-

References

1. Total revenue must reconcile to Table A4 Budgeted Financial Performance (revenue and expenditure)

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand											
ASSETS											
<u>Call investment deposits</u>											
Call deposits < 90 days		38 768	45 729	60 020	10 000	27 894	27 894		5 757		
Other current investments > 90 days											
Total Call investment deposits	2	38 768	45 729	60 020	10 000	27 894	27 894	-	5 757	-	-
<u>Consumer debtors</u>											
Consumer debtors		18 172	19 673	21 670	18 500	22 500	22 500		23 000	24 000	25 000
Less: Provision for debt impairment		(3 154)	(3 330)	(3 080)	(6 806)	(5 920)	(5 920)		(8 920)	(12 420)	(16 220)
Total Consumer debtors	2	15 018	16 343	18 590	11 694	16 580	16 580	-	14 080	11 580	8 780
<u>Debt impairment provision</u>											
Balance at the beginning of the year		8 135	3 154	3 330	6 306	3 080	3 080		5 920	8 920	12 420
Contributions to the provision		(4 981)	176	(251)	500	2 840	2 840		3 000	3 500	3 800
Bad debts written off											
Balance at end of year		3 154	3 330	3 080	6 806	5 920	5 920	-	8 920	12 420	16 220
<u>Property, plant and equipment (PPE)</u>											
PPE at cost/valuation (excl. finance leases)		197 988	218 730	427 928	317 062	468 121	468 121		492 972	523 331	560 319
Leases recognised as PPE											
Less: Accumulated depreciation	3	92 556	108 992	43 182	148 569	64 400	64 400		85 651	108 013	131 458
Total Property, plant and equipment (PPE)	2	105 432	109 738	384 746	168 493	403 721	403 721	-	407 321	415 318	428 861
LIABILITIES											
<u>Current liabilities - Borrowing</u>											
Short term loans (other than bank overdraft)											
Current portion of long-term liabilities		107	125	82							
Total Current liabilities - Borrowing		107	125	82	-	-	-	-	-	-	-
<u>Trade and other payables</u>											
Trade and other creditors		10 054	17 388	17 403	11 000	17 000	17 000		16 000	19 000	20 000
Unspent conditional transfers		5 657	5 401	14 210	10 000	14 000	14 000		15 000	15 000	15 000
VAT		209		717							
Total Trade and other payables	2	15 920	22 789	32 331	21 000	31 000	31 000	-	33 000	34 000	35 000
<u>Non current liabilities - Borrowing</u>											
Borrowing	4										
Finance leases (including PPP asset element)		207	82								
Total Non current liabilities - Borrowing		207	82	-	-	-	-	-	-	-	-
<u>Provisions - non-current</u>											
Retirement benefits		6 791	6 791	6 791	6 791	6 791	6 791		6 791	6 791	6 791
<i>List other major provision items</i>											
Refuse landfill site rehabilitation											
Other		1 115	1 209	1 232	1 209	1 209	1 209		1 209	1 209	1 209
Total Provisions - non-current		7 906	8 000	8 023	8 000	8 000	8 000	-	8 000	8 000	8 000
CHANGES IN NET ASSETS											
<u>Accumulated Surplus/(Deficit)</u>											
Accumulated Surplus/(Deficit) - opening balance		29 612	129 454	138 551	135 035	116 151	116 151		110 765	96 258	91 314
GRAP											

[illegible]

KZN245 Umvoti - Table A9 Asset Management

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand										
CAPITAL EXPENDITURE										
Total New Assets	1	-	-	-	-	-	-	-	-	-
Infrastructure - Road transport		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
Infrastructure - Water		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	-	-	-	-	-
Infrastructure		-	-	-	-	-	-	-	-	-
Community		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets	6	-	-	-	-	-	-	-	-	-
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-
Total Renewal of Existing Assets	2	-	-	-	-	-	-	-	-	-
Infrastructure - Road transport		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
Infrastructure - Water		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	-	-	-	-	-
Infrastructure		-	-	-	-	-	-	-	-	-
Community		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets	6	-	-	-	-	-	-	-	-	-
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-
Total Capital Expenditure	4	-	-	-	-	-	-	-	-	-
Infrastructure - Road transport		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
Infrastructure - Water		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	-	-	-	-	-
Infrastructure		-	-	-	-	-	-	-	-	-
Community		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets		-	-	-	-	-	-	-	-	-
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-
TOTAL CAPITAL EXPENDITURE - Asset class	2	-	-	-	-	-	-	-	-	-
ASSET REGISTER SUMMARY - PPE (WDV)	5									
Infrastructure - Road transport										
Infrastructure - Electricity										
Infrastructure - Water										
Infrastructure - Sanitation										
Infrastructure - Other										
Infrastructure		-	-	-	-	-	-	-	-	-
Community										
Heritage assets										
Investment properties		46 824	64 189	73 620	65 000	73 620	73 620	73 620	73 620	73 620
Other assets										
Agricultural Assets		-	-	-	-	-	-	-	-	-
Biological assets		-	-	-	-	-	-	-	-	-
Intangibles		-	-	-	-	-	-	-	-	-
TOTAL ASSET REGISTER SUMMARY - PPE (WDV)	5	46 824	64 189	73 620	65 000	73 620	73 620	73 620	73 620	73 620
EXPENDITURE OTHER ITEMS										
Depreciation & asset impairment		14 667	16 785	16 823	21 207	21 218	21 218	21 251	22 362	23 445
Repairs and Maintenance by Asset Class	3	-	-	-	-	-	-	-	-	-
Infrastructure - Road transport		-	-	-	-	-	-	-	-	-
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
Infrastructure - Water		-	-	-	-	-	-	-	-	-
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Infrastructure - Other		-	-	-	-	-	-	-	-	-
Infrastructure		-	-	-	-	-	-	-	-	-
Community		-	-	-	-	-	-	-	-	-
Heritage assets		-	-	-	-	-	-	-	-	-
Investment properties		-	-	-	-	-	-	-	-	-
Other assets	6, 7	-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURE OTHER ITEMS		14 667	16 785	16 823	21 207	21 218	21 218	21 251	22 362	23 445
Renewal of Existing Assets as % of total capex		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Renewal of Existing Assets as % of deprecn"		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
R&M as a % of PPE		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Renewal and R&M as a % of PPE		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

References

1. Detail of new assets provided in Table SA34a
2. Detail of renewal of existing assets provided in Table SA34b
3. Detail of Repairs and Maintenance by Asset Class provided in Table SA34c
4. Must reconcile to total capital expenditure on Budgeted Capital Expenditure
5. Must reconcile to 'Budgeted Financial Position' (written down value)
6. Donated/contributed and assets funded by finance leases to be allocated to the respective category

KZN245 Umvoti - Table A8 Cash backed reserves/accumulated surplus reconciliation

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand											
Cash and investments available											
Cash/cash equivalents at the year end	1	40 233	48 360	64 315	12 563	28 894	28 894	64 315	6 757	(14 584)	(22 318)
Other current investments > 90 days		-	2	(0)	(1 672)	-	-	(64 315)	-	-	0
Non current assets - Investments	1	-	-	-	-	-	-	-	-	-	-
Cash and investments available:		40 233	48 362	64 315	10 891	28 894	28 894	-	6 757	(14 584)	(22 318)
Application of cash and investments											
Unspent conditional transfers		5 657	5 401	14 210	10 000	14 000	14 000	-	15 000	15 000	15 000
Unspent borrowing		-	-	-	-	-	-	-	-	-	-
Statutory requirements	2	-	-	-	-	-	-	-	-	-	-
Other working capital requirements	3	(2 792)	(4 477)	(5 971)	(3 754)	(1 454)	(1 454)	-	4 078	7 539	11 290
Other provisions		-	-	-	-	-	-	-	-	-	-
Long term investments committed	4	-	-	-	-	-	-	-	-	-	-
Reserves to be backed by cash/investments	5	-	-	-	-	-	-	-	-	-	-
Total Application of cash and investments:		2 865	924	8 239	6 246	12 546	12 546	-	19 078	22 539	26 290
Surplus(shortfall)		37 368	47 438	56 076	4 645	16 348	16 348	-	(12 321)	(37 123)	(48 608)

References

1. Must reconcile with Budgeted Cash Flows
2. For example: VAT taxation
3. Council approval for policy required - include sufficient working capital (e.g. allowing for a % of current debtors > 90 days as uncollectable)
4. For example: sinking fund requirements for borrowing
5. Council approval required for each reserve created and basis of cash backing of reserves

KZN245 Umvoti - Table A7 Budgeted Cash Flows

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand											
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Ratepayers and other		50 925	63 107	80 817	78 327	82 532	82 532		87 100	95 384	104 596
Government - operating	1	29 831	34 399	44 951	44 966	52 263	52 263		67 053	81 869	106 100
Government - capital	1	12 915	11 326	8 604	48 079	17 912	17 912		18 851	20 359	21 988
Interest		3 279	2 939	3 261	2 700	2 700	2 700		2 700	2 970	3 119
Dividends											
Payments											
Suppliers and employees		(85 088)	(82 597)	(109 405)	(130 327)	(150 847)	(150 847)		(172 990)	(191 564)	(206 549)
Finance charges		(24)	(41)	(23)							
Transfers and Grants	1										
NET CASH FROM/(USED) OPERATING ACTIVITIES		11 838	29 133	28 206	43 745	4 560	4 560	-	2 714	9 018	29 254
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		85	91								
Decrease (Increase) in non-current debtors		19	27	34							
Decrease (increase) other non-current receivables											
Decrease (increase) in non-current investments											
Payments											
Capital assets		(24 073)	(21 096)	(12 299)	(72 000)	(40 193)	(40 193)		(24 851)	(30 359)	(36 988)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(23 969)	(20 978)	(12 265)	(72 000)	(40 193)	(40 193)	-	(24 851)	(30 359)	(36 988)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans											
Borrowing long term/refinancing		314	(108)	(125)							
Increase (decrease) in consumer deposits		155	80	139		212	212				
Payments											
Repayment of borrowing											
NET CASH FROM/(USED) FINANCING ACTIVITIES		469	(28)	14	-	212	212	-	-	-	-
NET INCREASE/ (DECREASE) IN CASH HELD		(11 662)	8 127	15 955	(28 255)	(35 421)	(35 421)	-	(22 137)	(21 341)	(7 734)
Cash/cash equivalents at the year begin:	2	51 895	40 233	48 360	40 818	64 315	64 315	64 315	28 894	6 757	(14 584)
Cash/cash equivalents at the year end:	2	40 233	48 360	64 315	12 563	28 894	28 894	64 315	6 757	(14 584)	(22 318)

References

1. Local/District municipalities to include transfers from/to District/Local Municipalities
2. Cash equivalents includes investments with maturities of 3 months or less

KZN245 Umvoti - Table A6 Budgeted Financial Position

Description		Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
R thousand			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
ASSETS												
Current assets												
Cash			1 465	2 633	4 295	891	1 000	1 000		1 000		
Call investment deposits	1		38 768	45 729	60 020	10 000	27 894	27 894	-	5 757	-	-
Consumer debtors	1		15 018	16 343	18 590	11 694	16 580	16 580	-	14 080	11 580	8 780
Other debtors			2 373	5 478	1 807	3 000	1 800	1 800				
Current portion of long-term receivables			21	24	31	20	20	20				
Inventory	2		1 312	1 254	1 354	1 800	1 500	1 500				
Total current assets			58 957	71 461	86 097	27 405	48 794	48 794	-	20 837	11 580	8 780
Non current assets												
Long-term receivables			62	34		60	50	50				
Investments												
Investment property			46 824	64 189	73 620	65 000	73 620	73 620		73 620	73 620	73 620
Investment in Associate												
Property, plant and equipment	3		105 432	109 738	384 746	168 493	403 721	403 721	-	407 321	415 318	428 861
Agricultural												
Biological												
Intangible												
Other non-current assets												
Total non current assets			152 318	173 961	458 366	233 553	477 391	477 391	-	480 941	488 938	502 481
TOTAL ASSETS			211 275	245 422	544 463	260 958	526 185	526 185	-	501 778	500 518	511 261
LIABILITIES												
Current liabilities												
Bank overdraft	1										14 584	22 318
Borrowing	4		107	125	82	-	-	-	-	-	-	-
Consumer deposits			1 769	1 849	1 988	2 200	2 200	2 200		2 300	2 400	2 500
Trade and other payables	4		15 920	22 789	32 331	21 000	31 000	31 000	-	33 000	34 000	35 000
Provisions			456	362	339							
Total current liabilities			18 252	25 125	34 740	23 200	33 200	33 200	-	35 300	50 984	59 818
Non current liabilities												
Borrowing			207	82	-	-	-	-	-	-	-	-
Provisions			7 906	8 000	8 023	8 000	8 000	8 000	-	8 000	8 000	8 000
Total non current liabilities			8 113	8 082	8 023	8 000	8 000	8 000	-	8 000	8 000	8 000
TOTAL LIABILITIES			26 365	33 207	42 762	31 200	41 200	41 200	-	43 300	58 984	67 818
NET ASSETS	5		184 910	212 215	501 701	229 758	484 985	484 985	-	458 478	441 534	443 443
COMMUNITY WEALTH/EQUITY												
Accumulated Surplus/(Deficit)			129 455	138 551	116 151	153 583	110 765	110 765		96 258	91 314	105 223
Reserves	4		55 455	73 664	385 550	76 175	374 220	374 220	-	362 220	350 220	338 220
Minonibes' interests												
TOTAL COMMUNITY WEALTH/EQUITY	5		184 910	212 215	501 701	229 758	484 985	484 985	-	458 478	441 534	443 443

References

1. Detail to be provided in Table SA3
2. Include completed low cost housing to be transferred to beneficiaries within 12 months
3. Include 'Construction-work-in-progress' (disclosed separately in annual financial statements)
4. Detail to be provided in Table SA3. Includes reserves to be funded by statute.
5. Net assets must balance with Total Community Wealth/Equity

C2 N245 Umvoti - Table A5 Budgeted Capital Expenditure by vote, standard classification and funding

Vote Description	Ref	2009/10			2010/11			2011/12			Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework			
		Audited Outcome			Audited Outcome			Audited Outcome			Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16	
1 - Various and	1	-			-			-			-	-	-	-	-	-	-	
2 - Capital expenditure - Municipal Vote	2	-			-			-			-	-	-	-	-	-	-	
3 - Multi-year expenditure appropriation		-			-			-			-	-	-	-	-	-	-	
4 - Vote 1 - EXECUTIVE AND COUNCIL		-			-			-			-	-	-	-	-	-	-	
5 - 1 - MAYOR AND COUNCIL		-			-			-			-	-	-	-	-	-	-	
6 - 2 - MUNICIPAL MANAGER		-			-			-			-	-	-	-	-	-	-	
7 - Vote 2 - BUDGET AND TREASURY OFFICE		-			-			-			-	-	-	-	-	-	-	
8 - 1 - LOT REQUIRED		-			-			-			-	-	-	-	-	-	-	
9 - 2 - PROPERTY SERVICES		-			-			-			-	-	-	-	-	-	-	
10 - Vote 3 - PLANNING AND DEVELOPMENT		-			-			-			-	-	-	-	-	-	-	
11 - 1 - LOT REQUIRED		-			-			-			-	-	-	-	-	-	-	
12 - Vote 4 - HEALTH		-			-			-			-	-	-	-	-	-	-	
13 - 1 - CLINICS		-			-			-			-	-	-	-	-	-	-	
14 - 2 - OTHER		-			-			-			-	-	-	-	-	-	-	

/ote 5 - COMMUNITY AND SOCIAL

1. LIBRARIES AND ARCHIVES
2. MUSEUMS AND ART GALLERIES
3. OTHER COMMUNITY HALLS AND FACILITIES
4. THEATRES
5. PROPERTY SERVICES

/ote ô - HOUSING

- NO JOB REQUIRED

/ote 7. PUBLIC SAFETY

1. POLICE
2. FIRE

/ote 8 - SPORT AND RECREATION

- NO JOB REQUIRED

Note 9 - ENVIRONMENTAL PROTECTION

- BIO-DIVERSITY AND LANDSCAPE

/ote 10 - WASTE MANAGEMENT
01 NOT REQUIRED

/ote 11 - ROAD TRANSPORT
11 ROADS
12 VEHICLE LICENCING AND TESTING

/ote 12 - ELECTRICITY
21 ELECTRICITY DISTRIBUTION
22 STREET LIGHTING

/ote 13 - OTHER
31 ORESTRY

/ote 14 - CORPORATE SERVICES
 4 1 PROPERTY SERVICES
 4 2 OTHER ADMIN

4: PROPERTY SERVICES

42 OTHER ADMIN

Vote 15 - [NAME OF VOTE 15]

51 (Name of sub-vote)

Fatal multi-year expenditure sub-total

KZN245 Umvoti - Table A5 Budgeted Capital Expenditure by vote, standard classification and funding

Vote Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand	1										
Capital expenditure - Vote											
Multi-year expenditure to be appropriated	2										
Vote 1 - EXECUTIVE AND COUNCIL		-	-	-	-	-	-	-	-	-	-
Vote 2 - BUDGET AND TREASURY OFFICE		-	-	-	-	-	-	-	-	-	-
Vote 3 - PLANNING AND DEVELOPMENT		-	-	-	-	-	-	-	-	-	-
Vote 4 - HEALTH		-	-	-	-	-	-	-	-	-	-
Vote 5 - COMMUNITY AND SOCIAL		-	-	-	-	-	-	-	-	-	-
Vote 6 - HOUSING		-	-	-	-	-	-	-	-	-	-
Vote 7 - PUBLIC SAFETY		-	-	-	-	-	-	-	-	-	-
Vote 8 - SPORT AND RECREATION		-	-	-	-	-	-	-	-	-	-
Vote 9 - ENVIRONMENTAL PROTECTION		-	-	-	-	-	-	-	-	-	-
Vote 10 - WASTE MANAGEMENT		-	-	-	-	-	-	-	-	-	-
Vote 11 - ROAD TRANSPORT		-	-	-	-	-	-	-	-	-	-
Vote 12 - ELECTRICITY		-	-	-	-	-	-	-	-	-	-
Vote 13 - OTHER		-	-	-	-	-	-	-	-	-	-
Vote 14 - CORPORATE SERVICES		-	-	-	-	-	-	-	-	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
Capital multi-year expenditure sub-total	7	-	-	-	-	-	-	-	-	-	-
Single-year expenditure to be appropriated	2										
Vote 1 - EXECUTIVE AND COUNCIL		44	1	443	136	645	145	-	655	-	-
Vote 2 - BUDGET AND TREASURY OFFICE		219	75	683	435	74	54	-	182	4 000	50
Vote 3 - PLANNING AND DEVELOPMENT		1 316	-	-	-	10	10	-	-	-	-
Vote 4 - HEALTH		2	-	-	-	-	-	-	-	-	-
Vote 5 - COMMUNITY AND SOCIAL		600	1 313	51	6 622	10 303	10 134	-	649	-	-
Vote 6 - HOUSING		1 327	-	-	-	-	-	-	-	-	-
Vote 7 - PUBLIC SAFETY		-	84	31	690	995	800	-	2 726	400	400
Vote 8 - SPORT AND RECREATION		525	-	1 515	2 630	2 405	1 433	-	2 100	2 100	100
Vote 9 - ENVIRONMENTAL PROTECTION		-	-	-	-	-	-	-	-	-	-
Vote 10 - WASTE MANAGEMENT		132	175	595	1 650	800	500	-	-	-	-
Vote 11 - ROAD TRANSPORT		17 124	16 368	7 824	22 663	31 713	27 000	-	18 028	12 928	-
Vote 12 - ELECTRICITY		1 955	2 663	1 154	12 800	1 750	1 478	-	4 950	8 100	40
Vote 13 - OTHER		-	-	-	-	-	-	-	-	-	-
Vote 14 - CORPORATE SERVICES		436	417	12	483	526	488	-	363	-	-
Vote 15 - [NAME OF VOTE 15]		-	-	-	-	-	-	-	-	-	-
Capital single-year expenditure sub-total		23 680	21 096	12 309	48 109	49 221	42 043	-	29 853	27 528	590
Total Capital Expenditure - Vote		23 680	21 096	12 309	48 109	49 221	42 043	-	29 853	27 528	590
Capital Expenditure - Standard											
Governance and administration		-	-	-	-	-	-	-	-	-	-
Executive and council		-	-	-	-	-	-	-	-	-	-
Budget and treasury office		-	-	-	-	-	-	-	-	-	-
Corporate services		-	-	-	-	-	-	-	-	-	-
Community and public safety		-	-	-	-	-	-	-	-	-	-
Community and social services		-	-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-
Economic and environmental services		-	-	-	-	-	-	-	-	-	-
Planning and development		-	-	-	-	-	-	-	-	-	-
Road transport		-	-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-	-
Trading services		-	-	-	-	-	-	-	-	-	-
Electricity		-	-	-	-	-	-	-	-	-	-
Water		-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Standard	3	-	-	-	-	-	-	-	-	-	-
Funded by:											
National Government		-	-	-	-	-	-	-	-	-	-
Provincial Government		-	-	-	-	-	-	-	-	-	-
District Municipality		-	-	-	-	-	-	-	-	-	-
Other transfers and grants		-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital	4	-	-	-	-	-	-	-	-	-	-
Public contributions & donations	5	-	-	-	-	-	-	-	-	-	-
Borrowing	6	-	-	-	-	-	-	-	-	-	-
Internally generated funds		-	-	-	-	-	-	-	-	-	-
Total Capital Funding	7	-	-	-	-	-	-	-	-	-	-

References

1. Municipalities may choose to appropriate for capital expenditure for three years or for one year (if one year appropriation projected expenditure required for yr2 and yr3).
2. Include capital component of PPP unitary payment. Note that capital transfers are only appropriated to municipalities for the budget year.
3. Capital expenditure by standard classification must reconcile to the appropriations by vote.
4. Must reconcile to supporting table SA20 and to Budgeted Financial Performance (revenue and expenditure).
5. Must reconcile to Budgeted Financial Performance (revenue and expenditure).
6. Include finance leases and PPP capital funding component of unitary payment - total borrowing/repayments to reconcile to changes in Table SA17.
7. Total Capital Funding must balance with Total Capital Expenditure.
8. Include any capitalised interest (MFMA section 46) as part of relevant capital budget.

KZN245 Umvoti - Table A4 Budgeted Financial Performance (revenue and expenditure)

R thousand	Description	Ref	2009/10		2010/11		2011/12		Current Year 2012/13			Pre-audit outcome	2013/14 Medium Term Revenue & Expenditure Framework		
			1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15		Budget Year +2 2015/16		
Revenue By Source															
2	Property rates	2	21 028	13 564	13 799	16 178	18 850	18 850	-	20 461	22 098	23 866			
	Property rates - penalties & collection charges		1 085	1 180	1 251	1 300	1 300	1 300	-	1 330	1 436	1 551			
2	Service charges - electricity revenue	2	28 276	34 013	42 433	48 235	48 893	48 893	-	52 291	57 520	63 272			
2	Service charges - water revenue	2	-	-	-	-	-	-	-	-	-	-			
2	Service charges - sanitation revenue	2	-	-	-	-	-	-	-	-	-	-			
2	Service charges - refuse revenue	2	4 359	4 726	5 290	5 529	5 486	5 486	-	5 790	6 369	7 006			
	Service charges - other		189	317	563	407	883	883	-	872	959	1 055			
	Rental of facilities and equipment		2 827	2 998	2 819	2 979	2 880	2 880	-	3 032	3 245	3 472			
	Interest earned - external investments		3 279	2 939	3 261	2 700	2 700	2 700	-	2 700	2 970	3 119			
	Interest earned - outstanding debtors		192	157	154	167	163	163	-	183	201	211			
	Dividends received								-						
	Fines		434	325	491	404	804	804	-	804	884	973			
	Licences and permits		1 656	2 071	1 914	2 002	1 963	1 963	-	2 045	2 250	2 475			
	Agency services		817	925	970	1 016	1 082	1 082	-	1 110	1 221	1 343			
	Transfers recognised - operational		32 622	34 788	44 951	44 966	52 263	52 263	-	67 053	81 669	106 100			
2	Other revenue	2	8 326	2 801	841	111	119	119	-	171	190	209			
	Gains on disposal of PPE		87	91			209	209	-	10	11	12			
	Total Revenue (excluding capital transfers and contributions)		105 177	100 895	118 737	125 993	137 595	137 595	-	157 853	181 223	214 663			
Expenditure By Type															
2	Employee related costs	2	22 892	29 810	37 339	45 842	41 459	41 459	-	58 893	63 180	67 592			
	Remuneration of councillors		4 348	4 316	4 668	5 858	5 971	5 971	-	6 272	6 692	7 141			
3	Debt impairment	3	3 437	618	9	3 090	2 840	2 840	-	3 180	3 498	3 848			
2	Depreciation & asset impairment	2	14 687	16 785	16 823	21 207	21 218	21 218	-	21 251	22 362	23 445			
	Finance charges		24	41	23				-						
2	Bulk purchases	2	18 640	22 479	29 004	40 000	34 000	34 000	-	37 000	39 960	43 200			
8	Other materials	8							-						
	Contracted services		11 281	10 862	11 938	6 839	24 654	24 654	-	28 913	31 342	33 849			
	Transfers and grants		1 534	1 390	1 103	2 311	1 810	1 810	-	1 910	2 063	2 228			
	Other expenditure		35 517	20 689	25 981	29 478	41 043	41 043	-	45 892	49 529	53 539			
4, 5	Loss on disposal of PPE	4, 5							-						
	Total Expenditure		112 340	106 990	126 889	154 624	172 994	172 994	-	203 311	218 626	234 842			
	Surplus/(Deficit)		(7 163)	(6 095)	(8 152)	(28 631)	(35 398)	(35 398)	-	(45 458)	(37 403)	(20 179)			
	Transfers recognised - capital		10 124	10 937	8 604	48 079	17 912	17 912	-	18 851	20 359	21 988			
6	Contributions recognised - capital	6	-	-	-	-	-	-	-	-	-	-			
	Contributed assets								-						
	Surplus/(Deficit) after capital transfers & contributions		2 961	4 842	452	19 448	(17 486)	(17 486)	-	(26 607)	(17 044)	1 809			
	Taxation								-						
	Surplus/(Deficit) after taxation		2 961	4 842	452	19 448	(17 486)	(17 486)	-	(26 607)	(17 044)	1 809			
	Attributable to minorities								-						
	Surplus/(Deficit) attributable to municipality		2 961	4 842	452	19 448	(17 486)	(17 486)	-	(26 607)	(17 044)	1 809			
7	Share of surplus/ (deficit) of associate	7							-						
	Surplus/(Deficit) for the year		2 961	4 842	452	19 448	(17 486)	(17 486)	-	(26 607)	(17 044)	1 809			

References

1. Classifications are revenue sources and expenditure type
2. Detail to be provided in Table SA1
3. Previously described as 'bad or doubtful debts' - amounts shown should reflect the change in the provision for debt impairment
4. Expenditure type components previously shown under repairs and maintenance should be allocated back to the originating expenditure group/item, e.g. employee costs
5. Repairs & maintenance detailed in Table A9 and Table SA34c
6. Contributions are funds provided by external organisations to assist with infrastructure development, e.g. developer contributions (detail to be provided in Table SA1)
7. Equity method

KZN245 Umvoti - Table A7 Budgeted Cash Flows

GENERAL CREDIT - Table A1 Budgeted Cash Flows											
Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand											
CASH FLOW FROM OPERATING ACTIVITIES											
Receipts											
Ratepayers and other		50 925	63 107	80 817	78 327	82 532	82 532		87 100	95 384	104 596
Government - operating	1	29 831	34 399	44 951	44 966	52 263	52 263		67 053	81 869	106 100
Government - capital	1	12 915	11 326	8 604	48 079	17 912	17 912		18 851	20 359	21 988
Interest		3 279	2 939	3 261	2 700	2 700	2 700		2 700	2 970	3 119
Dividends											
Payments											
Suppliers and employees		(85 088)	(82 597)	(109 405)	(130 327)	(150 847)	(150 847)		(172 990)	(191 564)	(206 549)
Finance charges		(24)	(41)	(23)							
Transfers and Grants	1										
NET CASH FROM/(USED) OPERATING ACTIVITIES		11 838	29 133	28 206	43 745	4 560	4 560	-	2 714	9 018	29 254
CASH FLOWS FROM INVESTING ACTIVITIES											
Receipts											
Proceeds on disposal of PPE		85	91								
Decrease (increase) in non-current debtors		19	27	34							
Decrease (increase) other non-current receivables											
Decrease (increase) in non-current investments											
Payments											
Capital assets		(24 073)	(21 096)	(12 299)	(72 000)	(40 193)	(40 193)		(24 851)	(30 359)	(36 988)
NET CASH FROM/(USED) INVESTING ACTIVITIES		(23 969)	(20 978)	(12 265)	(72 000)	(40 193)	(40 193)	-	(24 851)	(30 359)	(36 988)
CASH FLOWS FROM FINANCING ACTIVITIES											
Receipts											
Short term loans											
Borrowing long term/refinancing		314	(108)	(125)							
Increase (decrease) in consumer deposits		155	80	139		212	212				
Payments											
Repayment of borrowing											
NET CASH FROM/(USED) FINANCING ACTIVITIES		469	(28)	14	-	212	212	-	-	-	-
NET INCREASE/ (DECREASE) IN CASH HELD		(11 662)	8 127	15 955	(28 255)	(35 421)	(35 421)	-	(22 137)	(21 341)	(7 734)
Cash/cash equivalents at the year begin:	2	51 895	40 233	48 360	40 818	64 315	64 315	64 315	28 894	6 757	(14 584)
Cash/cash equivalents at the year end:	2	40 233	48 360	64 315	12 563	28 894	28 894	64 315	6 757	(14 584)	(22 318)

References

- 1 Local/District municipalities to include transfers from/to District/Local Municipalities
2 Cash equivalents includes investments with maturities of 3 months or less

K'N245 Umvoti - Supporting Table SA36 Detailed capital budget

[illegible]

Just reconcile with Capital Expenditure

2 is per Table S.46

3 As per Table SA234

4 Projects that fall above the threshold values applicable to the municipality as identified in regulation 13 of the Municipal Budget and Reporting Regulations must be listed individually. Other projects by programme by Vote

KZN245 Umvoti - Supporting Table SA35 Future financial implications of the capital budget

Vote Description	Ref	2013/14 Medium Term Revenue & Expenditure Framework			Forecasts			
		Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16	Forecast 2016/17	Forecast 2017/18	Forecast 2018/19	Present value
R thousand								
Capital expenditure	1							
Vote 1 - EXECUTIVE AND COUNCIL		655	-	-				
Vote 2 - BUDGET AND TREASURY OFFICE		182	4 000	50				
Vote 3 - PLANNING AND DEVELOPMENT		-	-	-				
Vote 4 - HEALTH		-	-	-				
Vote 5 - COMMUNITY AND SOCIAL		649	-	-				
Vote 6 - HOUSING		-	-	-				
Vote 7 - PUBLIC SAFETY		2 726	400	400				
Vote 8 - SPORT AND RECREATION		2 100	2 100	100				
Vote 9 - ENVIRONMENTAL PROTECTION		-	-	-				
Vote 10 - WASTE MANAGEMENT		-	-	-				
Vote 11 - ROAD TRANSPORT		18 028	12 928	-				
Vote 12 - ELECTRICITY		4 950	8 100	40				
Vote 13 - OTHER		-	-	-				
Vote 14 - CORPORATE SERVICES		363	-	-				
Vote 15 - [NAME OF VOTE 15]		-	-	-				
List entity summary if applicable								
Total Capital Expenditure		29 653	27 528	590	-	-	-	-
Future operational costs by vote	2							
Vote 1 - EXECUTIVE AND COUNCIL								
Vote 2 - BUDGET AND TREASURY OFFICE								
Vote 3 - PLANNING AND DEVELOPMENT								
Vote 4 - HEALTH								
Vote 5 - COMMUNITY AND SOCIAL								
Vote 6 - HOUSING								
Vote 7 - PUBLIC SAFETY								
Vote 8 - SPORT AND RECREATION								
Vote 9 - ENVIRONMENTAL PROTECTION								
Vote 10 - WASTE MANAGEMENT								
Vote 11 - ROAD TRANSPORT								
Vote 12 - ELECTRICITY								
Vote 13 - OTHER								
Vote 14 - CORPORATE SERVICES								
Vote 15 - [NAME OF VOTE 15]								
List entity summary if applicable								
Total future operational costs		-	-	-	-	-	-	-
Future revenue by source	3							
Property rates								
Property rates - penalties & collection charges								
Service charges - electricity revenue								
Service charges - water revenue								
Service charges - sanitation revenue								
Service charges - refuse revenue								
Service charges - other								
Rental of facilities and equipment								
List other revenues sources if applicable								
List entity summary if applicable								
Total future revenue		-	-	-	-	-	-	-
Net Financial Implications		29 653	27 528	590	-	-	-	-

References

1. Summarise the total capital cost until capital project is operational (MFMA s19(2)(a))
2. Summary of future operational costs from when projects operational (present value until the end of each asset's useful life) (MFMA s19(2)(b))
3. Summarise the future revenue from when projects are operational, including municipal tax and tariff implications, (present value until the end of asset's useful life)

KZN245 Umvoti - Supporting Table SA34d Depreciation by asset class

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13		
R thousand	1	Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast
Depreciation by Asset Class/Sub-class							
Infrastructure		-	-	-	-	-	-
Infrastructure - Road transport		-	-	-	-	-	-
Roads, Pavements & Bridges							
Storm water							
Infrastructure - Electricity		-	-	-	-	-	-
Generation							
Transmission & Reticulation							
Street Lighting							
Infrastructure - Water		-	-	-	-	-	-
Dams & Reservoirs							
Water purification							
Reticulation							
Infrastructure - Sanitation		-	-	-	-	-	-
Reticulation							
Sewerage purification							
Infrastructure - Other		-	-	-	-	-	-
Waste Management							
Transportation	2						
Gas							
Other	3						
Community		-	-	-	-	-	-
Parks & gardens							
Sportsfields & stadia							
Swimming pools							
Community halls							
Libraries							
Recreational facilities							
Fire, safety & emergency							
Security and policing							
Buses	7						
Clinics							
Museums & Art Galleries							
Cemeteries							
Social rental housing	8						
Other							
Heritage assets		-	-	-	-	-	-
Buildings							
Other	9						
Investment properties		-	-	-	-	-	-
Housing development							
Other							
Other assets		-	-	-	-	-	-
General vehicles							
Specialised vehicles	10	-	-	-	-	-	-
Plant & equipment							
Computers - hardware/equipment							

Furniture and other office equipment							
Abattoirs							
Markets							
Civic Land and Buildings							
Other Buildings							
Other Land							
Surplus Assets - (Investment or Inventory)							
Other							
Agricultural assets		-	-	-	-	-	-
List sub-class							
Biological assets		-	-	-	-	-	-
List sub-class							
Intangibles		-	-	-	-	-	-
Computers - software & programming							
Other (list sub-class)							
Total Depreciation	1	-	-	-	-	-	-
Specialised vehicles		-	-	-	-	-	-
Refuse							
Fire							
Conservancy							
Ambulances							

References

1. Depreciation based on write down values. Not including Depreciation resulting from revaluation.
2. Airports, Car Parks, Bus Terminals and Taxi Ranks
3. For example - technology backbones (e.g. fibre optic, WIFI infrastructure) for economic development purposes
4. Work-in-progress/under construction to be budgeted under the respective item
5. Infrastructure includes 'land and buildings required' by that infrastructure and vehicles/plant & equipment used by the service generated by that infrastructure
6. Donated/contributed & leased assets to be included within the respective sub-class
7. Busses used to provide a service to the community
8. Not municipal contributions to the 'top structure' being built using the housing subsidies
9. Statues, art collections, medals etc.
10. Ambulances, fire engines, refuse vehicles - but not vehicles that would normally be classified as 'Plant and equipment'

Check	(14 667)	(16 785)	(16 823)	(21 207)	(21 218)	(21 218)
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[illegible]

-	-	-
-	-	-
-	-	-
-	-	-
-	-	-

(21 251) (22 362) (23 445)

KZN245 Umvoti - Supporting Table SA34c Repairs and maintenance expenditure by asset class

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast
R thousand	1						
Repairs and maintenance expenditure by Asset Class/Sub-class							
Infrastructure		-	-	-	-	-	-
Infrastructure - Road transport		-	-	-	-	-	-
Roads, Pavements & Bridges							
Storm water							
Infrastructure - Electricity		-	-	-	-	-	-
Generation							
Transmission & Reticulation							
Street Lighting							
Infrastructure - Water		-	-	-	-	-	-
Dams & Reservoirs							
Water purification							
Reticulation							
Infrastructure - Sanitation		-	-	-	-	-	-
Reticulation							
Sewerage purification							
Infrastructure - Other		-	-	-	-	-	-
Waste Management							
Transportation	2						
Gas							
Other	3						
Community		-	-	-	-	-	-
Parks & gardens							
Sportsfields & stadia							
Swimming pools							
Community halls							
Libraries							
Recreational facilities							
Fire, safety & emergency							
Security and policing							
Buses	7						
Clinics							
Museums & Art Galleries							
Cemeteries							
Social rental housing	8						
Other							
Heritage assets		-	-	-	-	-	-
Buildings							
Other	9						
Investment properties		-	-	-	-	-	-
Housing development							
Other							
Other assets		-	-	-	-	-	-
General vehicles							
Specialised vehicles	10	-	-	-	-	-	-
Plant & equipment							
Computers - hardware/equipment							

Furniture and other office equipment							
Abattoirs							
Markets							
Civic Land and Buildings							
Other Buildings							
Other Land							
Surplus Assets - (Investment or Inventory)							
Other							
Agricultural assets	-	-	-	-	-	-	-
List sub-class							
Biological assets	-	-	-	-	-	-	-
List sub-class							
Intangibles	-	-	-	-	-	-	-
Computers - software & programming							
Other (list sub-class)							
Total Repairs and Maintenance Expenditure	1	-	-	-	-	-	-
Specialised vehicles		-	-	-	-	-	-
Refuse							
Fire							
Conservancy							
Ambulances							
R&M as a % of PPE		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
R&M as % Operating Expenditure		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

References

1. Total Repairs and Maintenance Expenditure by Asset Category must reconcile to total repairs and maintenance expenditure on Table SA1
2. Airports, Car Parks, Bus Terminals and Taxi Ranks
3. For example - technology backbones (e.g. fibre optic, WIFI infrastructure) for economic development purposes
4. Work-in-progress/under construction to be budgeted under the respective item
5. Infrastructure includes 'land and buildings required' by that infrastructure and vehicles/plant & equipment used by the service generated by that infrastructure
6. Donated/contributed & leased assets to be included within the respective sub-class
7. Busses used to provide a service to the community
8. Not municipal contributions to the 'top structure' being built using the housing subsidies
9. Statues, art collections, medals etc.
10. Ambulances, fire engines, refuse vehicles - but not vehicles that would normally be classified as 'Plant and equipment'

check balance	(3 435)	(4 549)	(5 016)	-	(6 929)	(6 929)
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2013/14 Medium Term Revenue & Expenditure Framework

Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
------------------------	---------------------------	---------------------------

-	-	-
-	-	-
-	-	-
-	-	-

-	-	-
0.0%	0.0%	0.0%
0.0%	0.0%	0.0%

(3 988) (4 389) (4 828)

KZN245 Umvoti - Supporting Table SA34b Capital expenditure on the renewal of existing assets by asset class

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/	
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget
R thousand	1					
Capital expenditure on renewal of existing assets by Asset Class/Sub-class						
Infrastructure		-	-	-	-	-
Infrastructure - Road transport		-	-	-	-	-
Roads, Pavements & Bridges						
Storm water						
Infrastructure - Electricity		-	-	-	-	-
Generation						
Transmission & Reticulation						
Street Lighting						
Infrastructure - Water		-	-	-	-	-
Dams & Reservoirs						
Water purification						
Reticulation						
Infrastructure - Sanitation		-	-	-	-	-
Reticulation						
Sewerage purification						
Infrastructure - Other		-	-	-	-	-
Waste Management	2					
Transportation						
Gas						
Other	3					
Community		-	-	-	-	-
Parks & gardens						
Sportsfields & stadia						
Swimming pools						
Community halls						
Libraries						
Recreational facilities						
Fire, safety & emergency						
Security and policing						
Buses	7					
Clinics						
Museums & Art Galleries						
Cemeteries						
Social rental housing	8					
Other						
Heritage assets		-	-	-	-	-
Buildings						
Other	9					
Investment properties		-	-	-	-	-
Housing development						
Other						
Other assets		-	-	-	-	-
General vehicles						
Specialised vehicles	10	-	-	-	-	-
Plant & equipment						
Computers - hardware/equipment						
Furniture and other office equipment						
Abattoirs						
Markets						
Civic Land and Buildings						
Other Buildings						

Other Land					
Surplus Assets - (Investment or Inventory)					
Other					
Agricultural assets	-	-	-	-	-
List sub-class					
Biological assets	-	-	-	-	-
List sub-class					
Intangibles	-	-	-	-	-
Computers - software & programming					
Other (list sub-class)					
Total Capital Expenditure on renewal of existing assets	1	-	-	-	-

Specialised vehicles		-	-	-	-	-
Refuse						
Fire						
Conservancy						
Ambulances						
Renewal of Existing Assets as % of total capex		0.0%	0.0%	0.0%	0.0%	0.0%
Renewal of Existing Assets as % of deprecn"		0.0%	0.0%	0.0%	0.0%	0.0%

References

1. Total Capital Expenditure on renewal of existing assets (SA34b) plus Total Capital Expenditure on new assets (SA34a) must reconcile to total capital e
2. Airports, Car Parks, Bus Terminals and Taxi Ranks
3. For example - technology backbones (e.g. fibre optic, WIFI infrastructure) for economic development purposes
4. Work-in-progress/under construction to be budgeted under the respective item
5. Infrastructure includes 'land and buildings required' by that infrastructure and vehicles/plant & equipment used by the service generated by that infrastru
6. Donated/contributed & leased assets to be included within the respective sub-class
7. Busses used to provide a service to the community
8. Not municipal contributions to the 'top structure' being built using the housing subsidies
9. Statues, art collections, medals etc.
10. Ambulances, fire engines, refuse vehicles - but not vehicles that would normally be classified as 'Plant and equipment'

check balance	-23 680 000	-21 095 963	-12 309 256	-48 109 000	-49 220 819
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[illegible]

-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-

-	-	-	-
0.0%	0.0%	0.0%	0.0%
0.0%	0.0%	0.0%	0.0%

xpenditure in Budgeted Capital Expenditure

cture

-42 042 592 -29 652 628 -27 527 824 -590 000

KZN245 Umvoti - Supporting Table SA34a Capital expenditure on new assets by asset class

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand	1									
Capital expenditure on new assets by Asset Class/Sub-class										
Infrastructure		-	-	-	-	-	-	-	-	-
Infrastructure - Road transport		-	-	-	-	-	-	-	-	-
Roads, Pavements & Bridges										
Storm water										
Infrastructure - Electricity		-	-	-	-	-	-	-	-	-
Generation										
Transmission & Reticulation										
Street Lighting										
Infrastructure - Water		-	-	-	-	-	-	-	-	-
Dams & Reservoirs										
Water purification										
Reticulation										
Infrastructure - Sanitation		-	-	-	-	-	-	-	-	-
Reticulation										
Sewerage purification										
Infrastructure - Other		-	-	-	-	-	-	-	-	-
Waste Management										
Transportation	2									
Gas										
Other	3									
Community		-	-	-	-	-	-	-	-	-
Parks & gardens										
Sportsfields & stadia										
Swimming pools										
Community halls										
Libraries										
Recreational facilities										
Fire, safety & emergency										
Security and policing										
Buses	7									
Clinics										
Museums & Art Galleries										
Cemeteries										
Social rental housing	8									
Other										
Heritage assets		-	-	-	-	-	-	-	-	-
Buildings										
Other	9									
Investment properties		-	-	-	-	-	-	-	-	-
Housing development										
Other										
Other assets		-	-	-	-	-	-	-	-	-
General vehicles										
Specialised vehicles	10	-	-	-	-	-	-	-	-	-
Plant & equipment										
Computers - hardware/equipment										
Furniture and other office equipment										
Abattoirs										
Markets										
Civic Land and Buildings										
Other Buildings										
Other Land										
Surplus Assets - (Investment or Inventory)										
Other										
Agricultural assets		-	-	-	-	-	-	-	-	-
List sub-class										
Biological assets		-	-	-	-	-	-	-	-	-
List sub-class										
Intangibles		-	-	-	-	-	-	-	-	-
Computers - software & programming										
Other (list sub-class)										
Total Capital Expenditure on new assets	1	-	-	-	-	-	-	-	-	-
Specialised vehicles		-	-	-	-	-	-	-	-	-
Refuse										
Fire										
Conservancy										
Ambulances										

References

1. Total Capital Expenditure on new assets (SA34a) plus Total Capital Expenditure on renewal of existing assets (SA34b) must reconcile to total capital expenditure in Budgeted Capital Expenditure
2. Airports, Car Parks, Bus Terminals and Taxi Ranks
3. For example - technology backbones (e.g. fibre optic, WIFI infrastructure) for economic development purposes
4. Work-in-progress/under construction to be budgeted under the respective item
5. Infrastructure includes 'land and buildings required' by that infrastructure and vehicles/plant & equipment used by the service generated by that infrastructure
6. Donated/contributed & reused assets to be included within the respective sub-class

KZN245 Umvoti - Supporting Table SA33 Contracts having future budgetary implications

Description	Ref	Preceding Years		Current Year 2012/13	2013/14 Medium Term Revenue & Expenditure Framework				Forecast 2016/17	Forecast 2017/18	Forecast 2018/19	Forecast 2019/20	Forecast 2020/21	Forecast 2021/22	Forecast 2022/23	Total Contract Value
		Total			Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16	Estimate								
R thousand	1 3			Original Budget					Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate
Parent Municipality:																
<u>Revenue Obligation By Contract</u>																
Contract 1	2															
Contract 2																
Contract 3 etc																
Total Operating Revenue Implication																
<u>Expenditure Obligation By Contract</u>																
Contract 1	2															
Contract 2																
Contract 3 etc																
Total Operating Expenditure Implication																
<u>Capital Expenditure Obligation By Contract</u>																
Contract 1	2															
Contract 2																
Contract 3 etc																
Total Capital Expenditure Implication																
Total Parent Expenditure Implication																
Entities:																
<u>Revenue Obligation By Contract</u>																
Contract 1	2															
Contract 2																
Contract 3 etc																
Total Operating Revenue Implication																
<u>Expenditure Obligation By Contract</u>																
Contract 1	2															
Contract 2																
Contract 3 etc																
Total Operating Expenditure Implication																
<u>Capital Expenditure Obligation By Contract</u>																
Contract 1	2															
Contract 2																
Contract 3 etc																
Total Capital Expenditure Implication																
Total Entity Expenditure Implication																

1. Total Implication for all preceding years to be summed and total stated in 'Preceding Years' column

2. List all contracts with future financial obligations beyond the three years covered by the MTREF (MFMA s33)

KZN245 Umvoti - Supporting Table SA32 List of external mechanisms

External mechanism Name of organisation	Yrs/ Mths	Period of agreement 1.	Service provided	Expiry date of service delivery agreement or contract	Monetary value of agreement 2.
		Number			R thousand

References

1. Total agreement period from commencement until end
2. Annual value

KZN245 Umvoti - NOT REQUIRED - municipality does not have entities

[illegible]

KZN245 Umvoti - Supporting Table SA20 Reconciliation of transfers, grant receipts and unspent funds

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand										
Operating transfers and grants:	1.3									
National Government:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
Provincial Government:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
District Municipality:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
Other grant providers:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
Total operating transfers and grants revenue		-	-	-	-	-	-	-	-	-
Total operating transfers and grants - CTBM	2	-	-	-	-	-	-	-	-	-
Capital transfers and grants:	1.3									
National Government:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
Provincial Government:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
District Municipality:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
Other grant providers:										
Balance unspent at beginning of the year										
Current year receipts										
Conditions met - transferred to revenue		-	-	-	-	-	-	-	-	-
Conditions still to be met - transferred to liabilities										
Total capital transfers and grants revenue		-	-	-	-	-	-	-	-	-
Total capital transfers and grants - CTBM	2	-	-	-	-	-	-	-	-	-
TOTAL TRANSFERS AND GRANTS REVENUE		-	-	-	-	-	-	-	-	-
TOTAL TRANSFERS AND GRANTS - CTBM		-	-	-	-	-	-	-	-	-

References

- 1 Total capital transfers and grants revenue must reconcile to Budgeted Financial Performance and Financial Position, total recurrent grants revenue must reconcile to Budgeted Financial Performance
- 2 CTBM = conditions to be met
- 3 National Treasury database will require this reconciliation for each transfer/grant

KZN245 Umvoti - Supporting Table SA19 Expenditure on transfers and grant programme

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
EXPENDITURE:	1									
<u>Operating expenditure of Transfers and Grants</u>										
National Government:		-	-	-	-	-	-	-	-	-
Local Government Equitable Share										
Other transfers/grants [insert description]										
Provincial Government:		-	-	-	-	-	-	-	-	-
Other transfers/grants [insert description]										
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]										
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]										
Total operating expenditure of Transfers and Grants:		-	-	-	-	-	-	-	-	-
<u>Capital expenditure of Transfers and Grants</u>										
National Government:		-	-	-	-	-	-	-	-	-
Other capital transfers/grants [insert desc]										
Provincial Government:		-	-	-	-	-	-	-	-	-
Other capital transfers/grants [insert description]										
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]										
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]										
Total capital expenditure of Transfers and Grants		-	-	-	-	-	-	-	-	-
TOTAL EXPENDITURE OF TRANSFERS AND GRANTS		-	-	-	-	-	-	-	-	-

References

1. Expenditure must be separately listed for each transfer or grant received or recognised

KZN245 Umvoti - Supporting Table SA18 Transfers and grant receipts

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand										
RECEIPTS:	1, 2									
Operating Transfers and Grants										
National Government:		-	-	-	-	-	-	-	-	-
Local Government Equitable Share										
Other transfers/grants [insert description]										
Provincial Government:		-	-	-	-	-	-	-	-	-
Other transfers/grants [insert description]										
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]										
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]										
Total Operating Transfers and Grants	5	-	-	-	-	-	-	-	-	-
Capital Transfers and Grants										
National Government:		-	-	-	-	-	-	-	-	-
Other capital transfers/grants [insert desc]										
Provincial Government:		-	-	-	-	-	-	-	-	-
Other capital transfers/grants [insert description]										
District Municipality:		-	-	-	-	-	-	-	-	-
[insert description]										
Other grant providers:		-	-	-	-	-	-	-	-	-
[insert description]										
Total Capital Transfers and Grants	5	-	-	-	-	-	-	-	-	-
TOTAL RECEIPTS OF TRANSFERS & GRANTS		-	-	-	-	-	-	-	-	-

References

1. Each transfer/grant is listed by name as gazetted together with the name of the transferring department or municipality donor or other organisation
2. Amounts actually RECEIVED not revenue recognised (objective is to confirm grants transferred)
3. Replacement of RSC levies
4. Housing subsidies for housing where ownership transferred to organisations or persons outside the control of the municipality
5. Total transfers and grants must reconcile to Budgeted Cash Flows
6. Motor vehicle licensing refunds to be included under 'agency' services (Not Grant Receipts)

KZN245 Umvoti - Supporting Table SA17 Borrowing

Borrowing - Categorised by type	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Parent municipality										
Long-Term Loans (annuity/reducing balance)										
Long-Term Loans (non-annuity)										
Local registered stock										
Instalment Credit										
Financial Leases										
PPP liabilities										
Finance Granted By Cap Equipment Supplier										
Marketable Bonds										
Non-Marketable Bonds										
Bankers Acceptances										
Financial derivatives										
Other Securities										
Municipality sub-total	1	-	-	-	-	-	-	-	-	-
Entities										
Long-Term Loans (annuity/reducing balance)										
Long-Term Loans (non-annuity)										
Local registered stock										
Instalment Credit										
Financial Leases										
PPP liabilities										
Finance Granted By Cap Equipment Supplier										
Marketable Bonds										
Non-Marketable Bonds										
Bankers Acceptances										
Financial derivatives										
Other Securities										
Entities sub-total	1	-	-	-	-	-	-	-	-	-
Total Borrowing	1	-	-	-	-	-	-	-	-	-

Unspent Borrowing - Categorised by type										
Parent municipality										
Long-Term Loans (annuity/reducing balance)										
Long-Term Loans (non-annuity)										
Local registered stock										
Instalment Credit										
Financial Leases										
PPP liabilities										
Finance Granted By Cap Equipment Supplier										
Marketable Bonds										
Non-Marketable Bonds										
Bankers Acceptances										
Financial derivatives										
Other Securities										
Municipality sub-total	1	-	-	-	-	-	-	-	-	-
Entities										
Long-Term Loans (annuity/reducing balance)										
Long-Term Loans (non-annuity)										
Local registered stock										
Instalment Credit										
Financial Leases										
PPP liabilities										
Finance Granted By Cap Equipment Supplier										
Marketable Bonds										
Non-Marketable Bonds										
Bankers Acceptances										
Financial derivatives										
Other Securities										
Entities sub-total	1	-	-	-	-	-	-	-	-	-
Total Unspent Borrowing	1	-	-	-	-	-	-	-	-	-

References

1 Total borrowing must reconcile to Budgeted Financial Position (Borrowing - non-current)

KZN245 Umvoti - Supporting Table SA16 Investment particulars by maturity

Investments by Maturity	Ref	Period of Investment	Type of Investment	Capital Guarantee (Yes/ No)	Variable or Fixed interest rate	Interest Rate 3	Commission Paid (Rands)	Commission Recipient	Expiry date of investment	Monetary value	Interest to be realised
Name of Institution & investment ID	1	Yrs/Months								Rand thousand	
Parent municipality											
Municipality sub-total										-	-
Entities											
Entities sub-total										-	-
TOTAL INVESTMENTS AND INTEREST	1									-	-

References
1 Total investments must reconcile to all items in Table SA16 for the Current year (30 June)
2 List investments in expiry date order

KZN245 Umvoti - Supporting Table SA15 Investment particulars by type

Investment type	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand										
Parent municipality										
Securities - National Government										
Listed Corporate Bonds										
Deposits - Bank										
Deposits - Public Investment Commissioners										
Deposits - Corporation for Public Deposits										
Bankers Acceptance Certificates										
Negotiable Certificates of Deposit - Banks										
Guaranteed Endowment Policies (sinking)										
Repurchase Agreements - Banks										
Municipal Bonds										
Municipality sub-total	1	-	-	-	-	-	-	-	-	-
Entities										
Securities - National Government										
Listed Corporate Bonds										
Deposits - Bank										
Deposits - Public Investment Commissioners										
Deposits - Corporation for Public Deposits										
Bankers Acceptance Certificates										
Negotiable Certificates of Deposit - Banks										
Guaranteed Endowment Policies (sinking)										
Repurchase Agreements - Banks										
Entities sub-total		-	-	-	-	-	-	-	-	-
Consolidated total:		-	-	-	-	-	-	-	-	-

References

1 Total investments must reconcile to Budgeted Financial Position ('current' call investment deposits plus 'non-current' investments)

KZN245 Umvoti - Supporting Table SA14 Household bills

Description		Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework			
			Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14 % incr.	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Rand/cent												
Monthly Account for Household - 'Middle Income Range'		1										
Rates and services charges:												
Property rates			373.33	403.20	419.53	677.33	677.33		5.5%	714.58	786.04	864.64
Electricity: Basic levy			129.00	117.90	189.00	225.00	225.00		8.0%	243.00	267.30	294.03
Electricity: Consumption			554.50	676.40	814.30	961.00	961.00		8.0%	1 037.88	1 141.67	1 255.83
Water: Basic levy												
Water: Consumption												
Sanitation												
Refuse removal			89.40	98.34	108.20	108.20	108.20		5.5%	114.15	125.57	138.12
Other												
sub-total			1 146.23	1 295.84	1 531.03	1 971.53	1 971.53	-	7.0%	2 109.61	2 320.57	2 552.63
VAT on Services			108.21	124.97	155.61	181.19	181.19		14.0%	295.35	324.88	357.37
Total large household bill:			1 254.44	1 420.81	1 686.64	2 152.72	2 152.72	-	11.7%	2 404.96	2 645.45	2 910.00
% increase/decrease				13.3%	18.7%	27.6%	-	(100.0%)		-	10.0%	10.0%
Monthly Account for Household - 'Affordable Range'		2										
Rates and services charges:												
Property rates			268.33	289.80	297.73	485.33	485.33		5.5%	512.02	563.22	619.54
Electricity: Basic levy			129.00	117.90	189.00	225.00	225.00		8.0%	243.00	267.30	294.03
Electricity: Consumption			277.25	338.20	407.15	480.50	480.50		8.0%	518.94	570.83	627.92
Water: Basic levy												
Water: Consumption												
Sanitation												
Refuse removal			89.40	98.34	108.20	108.20	108.20		5.5%	114.15	125.57	138.12
Other												
sub-total			763.98	844.24	1 002.08	1 299.03	1 299.03	-	6.9%	1 388.11	1 526.92	1 679.61
VAT on Services			69.39	77.62	98.61	113.92	113.92		14.0%	194.34	213.77	235.15
Total small household bill:			833.37	921.86	1 100.69	1 412.95	1 412.95	-	12.0%	1 582.45	1 740.69	1 914.76
% increase/decrease				10.6%	19.4%	28.4%	-	(100.0%)		-	10.0%	10.0%
Monthly Account for Household - 'Indigent' Household receiving free basic services		3										
Rates and services charges:												
Property rates												
Electricity: Basic levy												
Electricity: Consumption			190.09	200.73	241.61	285.25	285.25		8.0%	308.07	338.88	372.76
Water: Basic levy												
Water: Consumption												
Sanitation												
Refuse removal			49.40	58.34	68.20	68.20	68.20		5.5%	71.95	79.15	87.06
Other												
sub-total			239.49	259.07	309.81	353.45	353.45	-	7.5%	380.02	418.02	459.82
VAT on Services			33.53	36.27	43.37	49.48	49.48		14.0%	53.20	58.52	64.38
Total small household bill:			273.02	295.34	353.18	402.93	402.93	-	7.5%	433.22	476.55	524.20
% increase/decrease				8.2%	19.6%	14.1%	0.0%	(100.0%)		-	10.0%	10.0%

References

1. Use as basis property value of R700 000, 1 000 kWh electricity and 30kl water
2. Use as basis property value of R500 000 and R700 000, 500 kWh electricity and 25kl water
3. Use as basis property value of R 300 000, 350kWh electricity and 20kl water (50 kWh electricity and 6 kl water free)

Z\245 Umvoti - Supporting Table SA13b Service Tariffs by category - explanatory

Description	Ref	Provide description of tariff structure where appropriate	2010/11	2011/12	Current Year 2012/13	2013/14 Medium Term Revenue & Expenditure Framework		
						Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
<u>Electricity tariffs</u> is applicable as applicable								
<u>Water tariffs</u> is applicable as applicable								
<u>Sanitation tariffs</u> is applicable as applicable								

KZN245 Umvoti - Supporting Table SA12b Property rates by category (budget year)

Description	Ref	Resi.	Indust.	Bus. & Comm.	Farm props.	State-owned	Muni props.	Public service infra.	Private owned towns	Formal & Informal Settle.	Comm. Land	State trust land	Section 8(2)(n) (note 1)	Protect. Areas	National Monuments	Public benefit organs.	Mining Props.
Budget Year 2013/14																	
Valuation:																	
No. of properties																	
No. of sectional title property values																	
No. of unreasonably difficult properties s7(2)																	
No. of supplementary valuations																	
Supplementary valuation (Rm)																	
No. of valuation roll amendments																	
No. of objections by rate-payers																	
No. of appeals by rate-payers																	
No. of appeals by rate-payers finalised																	
No. of successful objections	5																
No. of successful objections > 10%	5																
Estimated no. of properties not valued																	
Years since last valuation (select)																	
Frequency of valuation (select)																	
Method of valuation used (select)																	
Base of valuation (select)																	
Phasing-in properties s21 (number)																	
Combination of rating types used? (Y/N)																	
Flat rate used? (Y/N)																	
Is balance rated by uniform rate/variable rate?																	
Valuation reductions:																	
Valuation reductions-public infrastructure (Rm)																	
Valuation reductions-nature reserves/park (Rm)																	
Valuation reductions-mineral rights (Rm)																	
Valuation reductions-R15,000 threshold (Rm)																	
Valuation reductions-public worship (Rm)																	
Valuation reductions-other (Rm)																	
Total valuation reductions:	2																
Total value used for rating (Rm)	6																
Total land value (Rm)	6																
Total value of improvements (Rm)	6																
Total market value (Rm)	6																
Rating:																	
Average rate	3																
Rate revenue budget (R'000)																	
Rate revenue expected to collect (R'000)																	
Expected cash collection rate (%)	4																
Special rating areas (R'000)																	
Rebates, exemptions - indigent (R'000)																	
Rebates, exemptions - pensioners (R'000)																	
Rebates, exemptions - bona fide farm (R'000)																	
Rebates, exemptions - other (R'000)																	
Phase in reductions/discounts (R'000)																	
Total rebates, exemptions, reductions, discounts (R'000)																	
References:																	

1. Land & Assistance Act, Restitution of Land Rights, Communal Property Associations

2. Included value of additional reductions is 'free' value greater than MPRA minimum

3. Average rate - cents in the Rand. Eg 10.26 cents in the Rand is 0.1026, expressed to 6 decimal places maximum

4. Included arrears collections

5. In favour of the rate-payer

6. Provide relevant information for historical comparisons

KZN245 Umvoti - Supporting Table SA2 Matrix Financial Performance Budget (revenue source/expenditure type and dept.)

Description	Ref	Vote 1 - EXECUTIVE AND COUNCIL	Vote 2 - BUDGET AND TREASURY OFFICE	Vote 3 - PLANNING AND DEVELOPMENT	Vote 4 - HEALTH	Vote 5 - COMMUNITY AND SOCIAL	Vote 6 - HOUSING	Vote 7 - PUBLIC SAFETY	Vote 8 - SPORT AND RECREATION	Vote 9 - ENVIRONMENT AL PROTECTION	Vote 10 - WASTE MANAGEMENT	Vote 11 - ROAD TRANSPORT	Vote 12 - ELECTRICITY	Vote 13 - OTHER	Vote 14 - CORPORATE SERVICES	Vote 15 - [NAME OF VOTE 15]	Total
R thousand																	
Revenue By Source																	
Property rates - penalties & reduction charges																	-
Service charges - electricity revenue																	-
Service charges - water revenue																	-
Service charges - sanitation revenue																	-
Service charges - refuse revenue																	-
Service charges - other																	-
Rental of fixtures and equipment																	-
Interest earned - external investments																	-
Interest earned - outstanding debtors																	-
Dividends received																	-
Fees																	-
Licences and permits																	-
Agency services																	-
Other revenue																	-
Transfers recognised - operational																	-
Gains on disposal of PPE																	-
Total Revenue (excluding capital transfers and contributions)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Expenditure By Type																	
Employee related costs																	-
Remuneration of councillors																	-
Debt impairment																	-
Depreciation & asset impairment																	-
Finance charges																	-
Risk purchases																	-
Other materials																	-
Contracted services																	-
Transfers and grants																	-
Other expenditure																	-
Loss on disposal of PPE																	-
Total Expenditure		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Surplus/(Deficit)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfers recognised - capital																	-
Contributions recognised - capital																	-
Contributed assets																	-
Surplus/(Deficit) after capital transfers & contributions		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Reconciliation																	

1. Departmental columns to be based on municipal organization structure

[illegible]

1. The following are the steps in the process of the formation of a new species:
 - (a) Variation: The first step is the occurrence of variation in the population.
 - (b) Isolation: The second step is the isolation of the population from the rest of the population.
 - (c) Speciation: The third step is the formation of a new species.
2. The two main types of speciation are allopatric speciation and sympatric speciation.
3. Allopatric speciation is the most common type of speciation. It occurs when a population is divided into two or more isolated groups.
4. Sympatric speciation is a less common type of speciation. It occurs when a new species arises from within a single population.

KZN245 Umvoti - Table A10 Basic service delivery measurement

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
		Outcome	Outcome	Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Household service targets	1									
Water:										
Piped water inside dwelling		6 934	6 934	6 934	9 619	9 619				
Piped water inside yard (but not in dwelling)		6 431	6 431	6 431						
Using public tap (at least min service level)	2	4 207	4 207	4 207						
Other water supply (at least min service level)	4	1 778	1 778	1 778	377	377				
Minimum Service Level and Above sub-total		19 350	19 350	19 350	9 996	9 996	-	-	-	-
Using public tap (< min service level)	3	226	226	226						
Other water supply (< min service level)	4	1 667	1 667	1 667	1 738	1 738				
No water supply		4 778	4 778	4 778	11 243	11 243				
Below Minimum Service Level sub-total		6 671	6 671	6 671	12 981	12 981	-	-	-	-
Total number of households	5	26 021	26 021	26 021	22 977	22 977	-	-	-	-
Sanitation/sewerage:										
Flush toilet (connected to sewerage)		8 036	8 036	8 036	2 495	2 495				
Flush toilet (with septic tank)		2 440	2 440	2 440	6 371	6 371				
Chemical toilet		195	195	195	1 242	1 242				
Pit toilet (ventilated)		3 582	3 582	3 582	3 344	3 344				
Other toilet provisions (> min service level)		3 355	3 355	3 355	5 839	5 839				
Minimum Service Level and Above sub-total		17 608	17 608	17 608	19 291	19 291	-	-	-	-
Bucket toilet		98	98	98	969	969				
Other toilet provisions (< min service level)		2 772	2 772	2 772	261	261				
No toilet provisions		5 540	5 540	5 540						
Below Minimum Service Level sub-total		8 410	8 410	8 410	1 230	1 230	-	-	-	-
Total number of households	5	26 018	26 018	26 018	20 521	20 521	-	-	-	-
Energy:										
Electricity (at least min service level)		11 882	11 882	11 882	15 907	12 069				
Electricity - prepaid (min service level)		657	766							
Minimum Service Level and Above sub-total		12 539	12 648	11 882	15 907	12 069	-	-	-	-
Electricity (< min service level)										
Electricity - prepaid (< min service level)										
Other energy sources										
Below Minimum Service Level sub-total		-	-	-	-	-	-	-	-	-
Total number of households	5	12 539	12 648	11 882	15 907	12 069	-	-	-	-
Refuse:										
Removed at least once a week		3 500	3 500	3 500	6 794	6 794				
Minimum Service Level and Above sub-total		3 500	3 500	3 500	6 794	6 794	-	-	-	-
Removed less frequently than once a week					718	718				
Using communal refuse dump					369	369				
Using own refuse dump					14 372	14 372				
Other rubbish disposal					444	444				
No rubbish disposal					4 585	4 585				
Below Minimum Service Level sub-total		-	-	-	20 488	20 488	-	-	-	-
Total number of households	5	3 500	3 500	3 500	27 282	27 282	-	-	-	-
Households receiving Free Basic Service	7									
Water (6 kilolitres per household per month)										
Sanitation (free minimum level service)										
Electricity/other energy (50kwh per household per month)		461	571							
Refuse (removed at least once a week)		283	229							
Cost of Free Basic Services provided (R'000)	8									
Water (6 kilolitres per household per month)										
Sanitation (free sanitation service)										
Electricity/other energy (50kwh per household per month)										
Refuse (removed once a week)										
Total cost of FBS provided (minimum social package)		-	-	-	-	-	-	-	-	-
Highest level of free service provided										
Property rates (R value threshold)		369	1 222							
Water (kilolitres per household per month)										
Sanitation (kilolitres per household per month)										
Sanitation (Rand per household per month)										
Electricity (kwh per household per month)		461	571							
Refuse (average litres per week)		283	229							
Revenue cost of free services provided (R'000)	9									
Property rates (R15 000 threshold rebate)		369	1 222							
Property rates (other exemptions, reductions and rebates)		8 859	7 175							
Water										
Sanitation										
Electricity/other energy		461	571							
Refuse		283	229							
Municipal Housing - rental rebates										
Housing - top structure subsidies										
Other										
Total revenue cost of free services provided (total social package)	6	9 972	9 198	-	-	-	-	-	-	-

References

1. Include services provided by another entity, e.g. Eskom
2. Stand distance <= 200m from dwelling
3. Stand distance > 200m from dwelling
4. Borehole, spring, rain-water tank etc.
5. Must agree to total number of households in municipal area
6. Include value of subsidy provided by municipality above provincial subsidy level
7. Show number of households receiving at least these levels of services completely free
8. Must reflect the cost to the municipality of providing the Free Basic Service

KZ1 2:15 Umyoti - Supporting Table SA29 Budgeted monthly capital expenditure (standard classification)

R'thus and Description	Ref	Budget Year 2013/14												Medium Term Revenue and Expenditure Framework		
		July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
Capital Expenditure - Standard	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Government and administration		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Executive and council		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Budget and treasury office		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Corporate services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Community and public safety		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Community and social services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sport and recreation		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Public safety		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Housing		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Health		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Environment and environmental services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Planning and development		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Road transport		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Environmental protection		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trading services		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Electricity		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Water		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Waste water management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Waste management		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Other		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Capital Expenditure - Standard	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

1. The following should be completed as either Multi-Year expenditure appropriation or Budget Year and Forward Year estimates

2. The following expenditure must reconcile to Budgeted Capital Expenditure

KZ1 2:5 Umvoti - Supporting Table SA28 Budgeted monthly capital expenditure (municipal vote)

R th us and	Description	Ref	Budget Year 2013/14												Medium Term Revenue and Expenditure Framework		
			July	August	Sept.	October	Nov.	Dec.	January	Feb.	March	April	May	June	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
1	Multi-Year expenditure to be appropriated	1															
	V e 1 - EXECUTIVE AND COUNCIL																
	V e 2 - BUDGET AND TREASURY OFFICE																
	V e 3 - PLANNING AND DEVELOPMENT																
	V e 4 - HEALTH																
	V e 5 - COMMUNITY AND SOCIAL																
	V e 6 - HOUSING																
	V e 7 - PUBLIC SAFETY																
	V e 8 - SPORT AND RECREATION																
	V e 9 - ENVIRONMENTAL PROTECTION																
	V e 10 - WASTE MANAGEMENT																
	V e 11 - ROAD TRANSPORT																
	V e 12 - ELECTRICITY																
	V e 13 - OTHER																
	V e 14 - CORPORATE SERVICES																
	V e 15 - NAME OF VOTE 15]																
	Capital multi-year expenditure sub-total	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Single-year expenditure to be appropriated																
	V e 1 - EXECUTIVE AND COUNCIL														655	-	-
	V e 2 - BUDGET AND TREASURY OFFICE														182	4 000	50
	V e 3 - PLANNING AND DEVELOPMENT														-	-	-
	V e 4 - HEALTH														-	-	-
	V e 5 - COMMUNITY AND SOCIAL														649	-	-
	V e 6 - HOUSING														-	-	-
	V e 7 - PUBLIC SAFETY														-	-	-
	V e 8 - SPORT AND RECREATION														2 726	400	400
	V e 9 - ENVIRONMENTAL PROTECTION														2 100	2 100	100
	V e 10 - WASTE MANAGEMENT														-	-	-
	V e 11 - ROAD TRANSPORT														-	-	-
	V e 12 - ELECTRICITY														18 028	12 928	-
	V e 13 - OTHER														4 950	8 100	40
	V e 14 - CORPORATE SERVICES														-	-	-
	V e 15 - NAME OF VOTE 15]														363	-	-
	Capital single-year expenditure sub-total	2	-	-	-	-	-	-	-	-	-	-	-	-	29 653	27 528	590
	Total Capital Expenditure	2	-	-	-	-	-	-	-	-	-	-	-	-	29 653	27 528	590

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KZN245 Umvoti - Supporting Table SA27 Budgeted monthly revenue and expenditure (standard classification)

R thousand	Description	Ref	Budget Year 2013/14												Medium Term Revenue and Expenditure Framework		
			July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
	Revenue - Standard																
	<i>Governance and administration</i>																
	Executive and council		-	-	-	-	-	-	-	-	-	-	-	96 470	96 470	113 792	140 459
	Budget and treasury office													1	1	3	3
	Corporate services													94 861	94 861	111 924	138 428
	<i>Community and public safety</i>													1 608	1 608	1 865	2 029
	Community and social services		-	-	-	-	-	-	-	-	-	-	-	3 600	3 600	3 957	4 350
	Sport and recreation													1 223	1 223	1 343	1 476
	Public safety													54	54	59	65
	Housing													2 305	2 305	2 535	2 788
	Health													19	19	20	21
	<i>Economic and environmental services</i>													-	-	-	-
	Planning and development		-	-	-	-	-	-	-	-	-	-	-	3 155	3 155	3 470	3 817
	Road transport													14	14	15	16
	Environmental protection													3 141	3 141	3 455	3 800
	<i>Trading services</i>													-	-	-	-
	Electricity		-	-	-	-	-	-	-	-	-	-	-	71 190	71 190	78 028	85 529
	Water													65 391	65 391	71 650	78 512
	Waste water management													-	-	-	-
	Waste management													-	-	-	-
	Other													5 799	5 799	6 379	7 017
	Total Revenue - Standard													2 290	2 290	2 450	2 622
	Expenditure - Standard													176 704	176 704	201 698	236 177
	<i>Governance and administration</i>																
	Executive and council		-	-	-	-	-	-	-	-	-	-	-	79 895	79 895	86 012	92 414
	Budget and treasury office													23 326	23 326	25 124	27 059
	Corporate services													29 197	29 197	31 432	33 847
	<i>Community and public safety</i>													27 372	27 372	29 455	31 508
	Community and social services		-	-	-	-	-	-	-	-	-	-	-	25 968	25 968	27 807	29 722
	Sport and recreation													4 435	4 435	4 756	5 072
	Public safety													4 944	4 944	5 312	5 688
	Housing													16 221	16 221	17 339	18 535
	Health													277	277	310	337
	<i>Economic and environmental services</i>													90	90	90	90
	Planning and development		-	-	-	-	-	-	-	-	-	-	-	22 921	22 921	24 631	26 152
	Road transport													3 841	3 841	4 223	4 522
	Environmental protection													19 080	19 080	20 408	21 630
	<i>Trading services</i>																
	Electricity		-	-	-	-	-	-	-	-	-	-	-	74 531	74 531	80 295	86 680
	Water													64 199	64 199	69 250	74 792
	Waste water management													-	-	-	-
	Waste management													170	170	89	97
	Other													10 162	10 162	10 956	11 791
	Total Expenditure - Standard													203 314	203 314	218 745	234 967
	Surplus/(Deficit) before assoc.													(26 610)	(26 610)	(17 046)	1 809
	Share of surplus/ (deficit) of associate													-	-	-	-
	Surplus/(Deficit)													(26 610)	(26 610)	(17 046)	1 809
	References	1															

1 Surplus (Deficit) must reconcile with Budgeted Financial Performance

KZ1 2:15 Umvoti - Supporting Table SA26 Budgeted monthly revenue and expenditure (municipal vote)

R /h us and Rev /h us by Vote	Description	Ref	Budget Year 2013/14												Medium Term Revenue and Expenditure Framework		
			July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +1 2015/16
V e 1 - EXECUTIVE AND COUNCIL														1	95 514	112 623	139 175
V e 2 - BUDGET AND TREASURY OFFICE														14	14	15	16
V e 3 - PLANNING AND DEVELOPMENT																	
V e 1 - HEALTH																	
V e 3 - COMMUNITY AND SOCIAL																	
V e 3 - HOUSING																	
V e 7 - PUBLIC SAFETY																	
V e 3 - SPORT AND RECREATION																	
V e 3 - ENVIRONMENTAL PROTECTION																	
V e 10 - WASTE MANAGEMENT																	
V e 11 - ROAD TRANSPORT																	
V e 12 - ELECTRICITY																	
V e 13 - OTHER																	
V e 14 - CORPORATE SERVICES																	
V e 15 - NAME OF VOTE 15																	
Total Revenue by Vote			-	-	-	-	-	-	-	-	-	-	-	-	176 706	201 700	236 775
Expenditure by Vote to be appropriated																	
V e 1 - EXECUTIVE AND COUNCIL															23 326	25 124	27 059
V e 2 - BUDGET AND TREASURY OFFICE															29 197	31 432	33 846
V e 3 - PLANNING AND DEVELOPMENT															3 841	4 223	4 522
V e 1 - HEALTH															90	90	90
V e 3 - COMMUNITY AND SOCIAL															4 435	4 757	5 073
V e 3 - HOUSING															277	310	337
V e 7 - PUBLIC SAFETY															15 772	16 845	17 991
V e 3 - SPORT AND RECREATION															4 944	5 312	5 688
V e 3 - ENVIRONMENTAL PROTECTION															-	-	-
V e 10 - WASTE MANAGEMENT															10 332	11 045	11 888
V e 11 - ROAD TRANSPORT															19 079	20 407	21 629
V e 12 - ELECTRICITY															64 648	69 744	75 335
V e 13 - OTHER															-	-	-
V e 14 - CORPORATE SERVICES															27 372	29 455	31 508
V e 15 - NAME OF VOTE 15															-	-	-
Total Expenditure by Vote			-	-	-	-	-	-	-	-	-	-	-	-	203 313	218 744	234 966
Surplus/(Deficit) before assoc.															(26 607)	(17 044)	1 809
Transfers to municipalities															-	-	-
Share of surplus/(deficit) of associate															-	-	-
Surplus/(Deficit)															-	-	-
Final Surplus/(Deficit)															(26 607)	(17 044)	1 809

1 Surplus/(Deficit) must reconcile with Budgeted Financial Performance

Ref	Description	Budget Year 2013/14												Medium Term Revenue and Expenditure Framework			
		July	August	Sept.	October	November	December	January	February	March	April	May	June	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16	
R thousand	Revenue By Source																
	Property rates													20 461	22 098	23 866	
	Property rates - penalties & collection charges													1 330	1 436	1 551	
	Service charges - electricity revenue													52 291	57 520	63 272	
	Service charges - water revenue													-	-	-	
	Service charges - sanitation revenue													-	-	-	
	Service charges - refuse revenue													-	-	-	
	Service charges - other													5 790	6 369	7 006	
	Rental of facilities and equipment													872	959	1 055	
	Interest earned - external investments													3 032	3 245	3 472	
	Interest earned - outstanding debitors													2 700	2 970	3 119	
	Dividends received													183	201	211	
	Fines													-	-	-	
	Licences and permits													804	884	973	
	Agency services													2 045	2 250	2 475	
	Transfers recognised - operational													1 110	1 221	1 343	
	Other revenue													67 053	81 869	106 100	
	Gains on disposal of PPE													171	190	209	
	Total Revenue (excluding capital transfers and contributions)	-	-	-	-	-	-	-	-	-	-	-	10	157 853	181 223	214 663	
	Expenditure By Type																
	Employee related costs													58 893	63 180	67 592	
	Remuneration of councillors													6 272	6 692	7 141	
	Ability impairment													3 180	3 498	3 848	
	Depreciation & asset impairment													21 251	22 362	23 445	
	Finance charges													-	-	-	
	Stock purchases													37 000	39 960	43 200	
	Other materials													-	-	-	
	Contracted services													-	-	-	
	Transfers and grants													28 913	31 342	33 849	
	Other expenditure													1 910	2 063	2 228	
	Loss on disposal of PPE													45 892	49 529	53 539	
	Total Expenditure	-	-	-	-	-	-	-	-	-	-	-	203 311	218 626	234 842	-	
	Surplus/(Deficit)	-	-	-	-	-	-	-	-	-	-	-	(45 458)	(37 403)	(20 179)	-	
	Transfers recognised - capital												18 851	20 359	21 988	-	
	Contributions recognised - capital												-	-	-	-	
	Contributed assets												-	-	-	-	
	Surplus/(Deficit) after capital transfers & contributions	-	-	-	-	-	-	-	-	-	-	-	(26 607)	(17 044)	1 809	-	
	Realisation												-	-	-	-	
	Attributable to minorities												-	-	-	-	
	Share of surplus/ (deficit) of associate												-	-	-	-	
1	Surplus/(Deficit)	-	-	-	-	-	-	-	-	-	-	-	(26 607)	(17 044)	1 809	-	

plus (Deficit) must reconcile with Budgeted Financial Performance

KZN245 Umvoti - Supporting Table SA24 Summary of personnel numbers

Summary of Personnel Numbers		Ref	2011/12			Current Year 2012/13			Budget Year 2013/14		
Number		1,2	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees	Positions	Permanent employees	Contract employees
Municipal Council and Boards of Municipal Entities											
Councillors (Political Office Bearers plus Other Councillors)											
Board Members of municipal entities		4									
Municipal employees											
		5									
Municipal Manager and Senior Managers		3									
Other Managers		7									
Professionals			-	-	-	-	-	-	-	-	-
Finance											
Spatial/Town planning											
Information Technology											
Roads											
Electricity											
Water											
Sanitation											
Refuse											
Other											
Technicians			-	-	-	-	-	-	-	-	-
Finance											
Spatial/Town planning											
Information Technology											
Roads											
Electricity											
Water											
Sanitation											
Refuse											
Other											
Clerks (Clerical and administrative)											
Service and sales workers											
Skilled agricultural and fishery workers											
Craft and related trades											
Plant and Machine Operators											
Elementary Occupations											
TOTAL PERSONNEL NUMBERS		9	-	-	-	-	-	-	-	-	-
% increase						-	-	-	-	-	-
Total municipal employees headcount		6, 10									
Finance personnel headcount		8, 10									
Human Resources personnel headcount		8, 10									

References

- Positions must be funded and aligned to the municipality's current organisational structure
- Full Time Equivalent (FTE). E.g. One full time person = 1FTE. A person working half time (say 4 hours out of 8) = 0.5FTE.
- s57 of the Systems Act
- Include only in Consolidated Statements
- Include municipal entity employees in Consolidated Statements
- Include headcount (number of persons, Not FTE) of managers and staff only (exclude councillors)
- Managers who provide the direction of a critical technical function
- Total number of employees working on these functions

KZN245 Umvoti - Supporting Table SA23 Salaries, allowances & benefits (political office bearers/councillors/senior managers)

[illegible]

References

1. Pension and medical aid
2. Total package must equal the total cost to the municipality
3. List each political office bearer by designation. Provide a total for all other councillors
4. Political office bearer is defined in MFMA s 1 speaker, executive mayor, deputy executive mayor, member of executive committee, mayor, deputy mayor, member of mayoral committee, the councillor designated to exercise powers and duties of mayor (MSA s 57)
5. Also list each senior manager reporting to MM by designation and each official with package >= senior manager by designation
6. List each entity where municipality has an interest and state percentage ownership and control
7. List each senior manager reporting to the CEO of an Entity by designation
6. Must reconcile to relevant section of Table SA24
9. Must reconcile to totals shown for the budget year of Table SA22
10. Correct as at 30 June

KZN245 Umvoti - Supporting Table SA22 Summary councillor and staff benefits

Summary of Employee and Councillor remuneration Ref		2009/10	2010/11	2011/12	Current Year 2012/13			2013/14 Medium Term Revenue & Expenditure Framework		
R thousand		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
		A	B	C	D	E	F	G	H	I
Councillors (Political Office Bearers plus Other)										
Basic Salaries and Wages										
Pension and UIF Contributions										
Medical Aid Contributions										
Motor Vehicle Allowance										
Cellphone Allowance										
Housing Allowances										
Other benefits and allowances										
Sub Total - Councillors		-	-	-	-	-	-	-	-	-
% increase	1	-	-	-	-	-	-	-	-	-
Senior Managers of the Municipality										
Basic Salaries and Wages										
Pension and UIF Contributions										
Medical Aid Contributions										
Overtime										
Performance Bonus										
Motor Vehicle Allowance										
Cellphone Allowance										
Housing Allowances										
Other benefits and allowances										
Payments in lieu of leave										
Long service awards										
Post retirement benefit obligations										
Sub Total - Senior Managers of Municipality		-	-	-	-	-	-	-	-	-
% increase	4	-	-	-	-	-	-	-	-	-
Other Municipal Staff										
Basic Salaries and Wages										
Pension and UIF Contributions										
Medical Aid Contributions										
Overtime										
Performance Bonus										
Motor Vehicle Allowance										
Cellphone Allowance										
Housing Allowances										
Other benefits and allowances										
Payments in lieu of leave										
Long service awards										
Post retirement benefit obligations										
Sub Total - Other Municipal Staff		-	-	-	-	-	-	-	-	-
% increase	8	-	-	-	-	-	-	-	-	-
Total Parent Municipality		-	-	-	-	-	-	-	-	-
Board Members of Entities										
Basic Salaries and Wages										
Pension and UIF Contributions										
Medical Aid Contributions										
Overtime										
Performance Bonus										
Motor Vehicle Allowance										
Cellphone Allowance										
Housing Allowances										
Other benefits and allowances										
Board Fees										
Payments in lieu of leave										
Long service awards										
Post retirement benefit obligations										
Sub Total - Board Members of Entities		-	-	-	-	-	-	-	-	-
% increase	4	-	-	-	-	-	-	-	-	-
Senior Managers of Entities										
Basic Salaries and Wages										
Pension and UIF Contributions										
Medical Aid Contributions										
Overtime										
Performance Bonus										
Motor Vehicle Allowance										
Cellphone Allowance										
Housing Allowances										
Other benefits and allowances										
Payments in lieu of leave										
Long service awards										
Post retirement benefit obligations										
Sub Total - Senior Managers of Entities		-	-	-	-	-	-	-	-	-
% increase	4	-	-	-	-	-	-	-	-	-
Other Staff of Entities										
Basic Salaries and Wages										
Pension and UIF Contributions										
Medical Aid Contributions										
Overtime										
Performance Bonus										
Motor Vehicle Allowance										
Cellphone Allowance										
Housing Allowances										
Other benefits and allowances										
Payments in lieu of leave										
Long service awards										
Post retirement benefit obligations										
Sub Total - Other Staff of Entities		-	-	-	-	-	-	-	-	-
% increase	4	-	-	-	-	-	-	-	-	-
Total Municipal Entities		-	-	-	-	-	-	-	-	-
TOTAL SALARY, ALLOWANCES & BENEFITS		-	-	-	-	-	-	-	-	-
% increase	4	-	-	-	-	-	-	-	-	-
TOTAL MANAGERS AND STAFF	2.2	-	-	-	-	-	-	-	-	-

References:

- 1 Include loans and advances where applicable (any repayable amounts only) (are compliance with SIC 61/2014 and yes)
- 2 eSF of the Systems Act
- 3 In kind benefits (e.g. provision of living quarters) must be shown as the cost (at market value) to the municipality, as part of the relevant allowance
- 4 BA, CB, GC, GD, FC, FD, GD, HD, HD
- 5 Must agree to the sub-total appearing on Table A1 (Employee costs)
- 6 Includes pension payments and employer contributions to medical aid
- 7 Corrected as at 10 June

Column Definitions:

4. E and C: Audited actual as per the audit's financial statements (if audited amounts are unavailable, unaudited amounts must be provided with a note stating them as unaudited)
5. The original budget approved by council for the budget year
6. The budget for the budget year as a result of any council resolution in terms of section 26 of the MSA
7. An estimate of total actual amounts are audited for the current year of the period in time (including the budget for the budget year) (Thomson's definition)
8. The amount to be appropriated for the budget year

Source: Information Systems

KZN245 Umvoti - Supporting Table SA21 Transfers and grants made by the municipality

Description	Ref	2009/10	2010/11	2011/12	Current Year 2012/13				2013/14 Medium Term Revenue & Expenditure Framework		
		Audited Outcome	Audited Outcome	Audited Outcome	Original Budget	Adjusted Budget	Full Year Forecast	Pre-audit outcome	Budget Year 2013/14	Budget Year +1 2014/15	Budget Year +2 2015/16
R thousand											
Cash Transfers to other municipalities											
<i>Insert description</i>	1										
Total Cash Transfers To Municipalities:		-	-	-	-	-	-	-	-	-	-
Cash Transfers to Entities/Other External Mechanisms											
<i>Insert description</i>	2										
Total Cash Transfers To Entities/Ems'		-	-	-	-	-	-	-	-	-	-
Cash Transfers to other Organs of State											
<i>Insert description</i>	3										
Total Cash Transfers To Other Organs Of State:		-	-	-	-	-	-	-	-	-	-
Cash Transfers to Organisations											
<i>Insert description</i>	4										
Total Cash Transfers To Organisations		-	-	-	-	-	-	-	-	-	-
Cash Transfers to Groups of Individuals											
<i>Insert description</i>	5	1 534	1 390	1 103	2 311	1 810	1 810		1 910	2 063	2 228
Total Cash Transfers To Groups Of Individuals:		1 534	1 390	1 103	2 311	1 810	1 810	-	1 910	2 063	2 228
TOTAL CASH TRANSFERS AND GRANTS	6	1 534	1 390	1 103	2 311	1 810	1 810	-	1 910	2 063	2 228
Non-Cash Transfers to other municipalities											
<i>Insert description</i>	1										
Total Non-Cash Transfers To Municipalities:		-	-	-	-	-	-	-	-	-	-
Non-Cash Transfers to Entities/Other External Mechanisms											
<i>Insert description</i>	2										
Total Non-Cash Transfers To Entities/Ems'		-	-	-	-	-	-	-	-	-	-
Non-Cash Transfers to other Organs of State											
<i>Insert description</i>	3										
Total Non-Cash Transfers To Other Organs Of State:		-	-	-	-	-	-	-	-	-	-
Non-Cash Grants to Organisations											
<i>Insert description</i>	4										
Total Non-Cash Grants To Organisations		-	-	-	-	-	-	-	-	-	-
Groups of Individuals											
<i>Insert description</i>	5										
Total Non-Cash Grants To Groups Of Individuals:		-	-	-	-	-	-	-	-	-	-
TOTAL NON-CASH TRANSFERS AND GRANTS		-	-	-	-	-	-	-	-	-	-
TOTAL TRANSFERS AND GRANTS	6	1 534	1 390	1 103	2 311	1 810	1 810	-	1 910	2 063	2 228

References

1. Insert description listed by municipal name and demarcation code of recipient
2. Insert description of each entity or external mechanism (an external mechanism may be provided with resources to ensure a minimum level of service)
3. Insert description of each Organ of State (e.g. transfer to electricity provider to compensate for FBS provided)
4. Insert description of each other organisation (e.g. charity)
5. Insert description of each other organisation (e.g. the aged, child-headed households)
6. All descriptions should separate transfers for 'capital purposes' and 'operating purposes'

UMVOTI MUNICIPAL COUNCIL

CERTIFICATE OF ACTS OF COUNCIL

EXTRACT FROM THE MINUTES OF THE STATUTORY "IN COMMITTEE" MEETING
HELD ON TUESDAY 28TH MARCH 2013, AT WHICH THE FOLLOWING WERE
PRESENT:-

MEMBERS

PRESENT:

Cllr	PG	Mavundla	(Mayor)
Cllr	ZW	Xaba	(Deputy Mayor)
Ald	AM	Shaikh	(Speaker)
Cllr	KL	Chonco	
Cllr	BG	Diadla	
Cllr	NSV	Maphanga	
Cllr	BE	Mlondo	
Cllr	SE	Mngoma	
Cllr	ZC	Ngema	
Cllr	SA	Nzama	
Cllr	PT	Zuma	
Cllr	PR	Buss	(Left the meeting at 10:15)
Cllr	ES	Shange	
Cllr	MR	Dlamini	(Left the meeting at 10:00)
Cllr	EN	Mncube	(Left the meeting at 10:10)
Cllr	IS	Nyoka	(Left the meeting at 10:10)
Cllr	M	Pillay	(Left the meeting at 10:10)
Cllr	ML	Shezi	(Left the meeting at 10:10)
Cllr	MS	Yengwa	(Left the meeting at 10:10)
Cllr	SV	Zondi	(Left the meeting at 10:10)

OFFICIALS:

Mr	BA	Xulu	(Municipal Manager)
MR	ME	Swanlow	(Chief Financial Officer)
Mr	IJM	Archer	(Manager Good Governance & Legal Compliance)
Mr	D	Muir	(Acting Manager Protection Services)
Miss	SS	Masondo	(Manager Legal Services)
Mrs	NV	Mbhele	(Planning Manager)
Miss	N	Mhlongo	(Manager Physical Environment)
Mr	BO	Vilakazi	(Disaster Manager)
Ms	PLC	Robson	(Administrator: Committee Administration)
Miss	AJ	Maharaj	(Assistant Committee Clerk)

UMS 219 (83)

ANNUAL BUDGET 2013-14 TO 2015/16

RESOLVED

1. That the Annual Draft Budget 2013/14 to 2015/16 attached as an annexure to the minutes, be approved.

**I CERTIFY THAT THE FOREGOING IS A TRUE EXTRACT FROM THE
MINUTES OF THE STATUTORY "IN COMMITTEE MEETING HELD ON 28TH
MARCH 2013**



**MR BA XULU
MUNICIPAL MANAGER**

**UMVOTI MUNICIPALITY,
GREYTOWN**